

**STATE OF CONNECTICUT  
STATE ELECTIONS ENFORCEMENT COMMISSION**

In the Matter of a Commission Initiated Investigation

File No. 2018-051B

**AGREEMENT CONTAINING A CONSENT ORDER**

The parties, Stephen Obsitnik ("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.<sup>1</sup> In accordance with those provisions, the parties agree that:<sup>2</sup>

**ALLEGATIONS**

1. It is alleged that Respondent Stephen Obsitnik coordinated with individuals associated with the independent expenditure only political committee *FixCT, Inc.* to make disallowed contributions to the *Steve Obsitnik for Governor* candidate committee.
2. It is alleged that Respondent Stephen Obsitnik failed to form a candidate committee within 10 days after making expenditures to promote his candidacy.

**COUNT I**

**ALLEGATION**

3. It is alleged that Respondent Stephen Obsitnik coordinated with individuals associated with the independent expenditure only political committee *FixCT, Inc.* to make disallowed contributions to the *Steve Obsitnik for Governor* candidate committee.

**RELEVANT LAW**

4. General Statutes § 9-601b (a) defines the term "expenditure" as:

(1) Any purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value, when made to promote the success or defeat of any candidate seeking the nomination for election, or election, of any person or for the purpose of aiding or promoting the success or defeat of any referendum question or the success or defeat of any political party;

(2) Any communication that (A) refers to one or more clearly identified candidates, and (B) is broadcast by radio, television, other than on a public access channel, or by satellite

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<sup>1</sup> Allegations concerning respondents to this matter not named herein shall be addressed in a separate document.

<sup>2</sup> The factual assertions and legal conclusions contained in this document are binding only on the signatories hereto.

communication or via the Internet, or as a paid-for telephone communication, or appears in a newspaper, magazine or on a billboard, or is sent by mail; or

(3) The transfer of funds by a committee to another committee.

5. General Statutes § 9-601c (a) provides:

(a) As used in this chapter and chapter 157, the term “independent expenditure” means an expenditure, as defined in section 9-601b, that is made without the consent, coordination, or consultation of, a candidate or agent of the candidate, candidate committee, political committee or party committee.

6. General Statutes § 9-601c (b) (3) – (4) provides, that there is a rebuttable presumption that an expenditure is not an independent expenditure when:<sup>3</sup>

(3) An expenditure made by a person based on information about a candidate’s, political committee’s, or party committee’s plans, projects or needs, provided by (A) a candidate, candidate committee, political committee or party committee, or (B) a consultant or other agent acting on behalf of a candidate, candidate committee, political committee or party committee, with the intent that such expenditure be made;

(4) An expenditure made by an individual who, in the same election cycle, is serving or has served as the campaign chairperson, treasurer or deputy treasurer of a candidate committee, political committee or party committee benefiting from such expenditure, or in any other executive or policymaking position, including as a member, employee, fundraiser, consultant or other agent, of a candidate committee, political committee or party committee;

7. Pursuant to General Statutes § 9-601d, “Any person, as defined in section 9-601, may, unless otherwise restricted or prohibited by law, . . . make unlimited independent expenditures as defined in said section 9-601.”

8. General Statutes § 9-601a (a) (4) defines the word “contribution” to mean, among other things, “An expenditure that is not an independent expenditure[.]”

9. General Statutes § 9-601e further provides that:

If the State Elections Enforcement Commission finds that an expenditure, as defined in section 9-601b, is coordinated with a candidate committee or candidate or an agent of the candidate, in a manner not permissible under the provisions of this chapter, the candidate, agent of the candidate, if applicable, or treasurer of such committee who participated in or had knowledge of such coordination, shall be jointly and severally liable for paying any penalty levied by the commission under section 9-7b.

10. General Statutes § 9-618 (b) limits the contributions an ongoing political committee may make to a candidate committee and states:

(b) No political committee organized for ongoing political purposes, except a legislative caucus committee or legislative leadership committee, shall make a contribution or

<sup>3</sup> The reference to the rebuttable presumption in General Statutes § 9-601c (b) (3) does not exclude the possibility that other rebuttable presumptions detailed in General Statutes § 9-601c (b) may also apply to the conduct detailed in the Agreement.

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: (1) Governor, in excess of five thousand dollars; (2) Lieutenant Governor, Secretary of the State, Treasurer, Comptroller or Attorney General, in excess of three thousand dollars; (3) chief executive officer of a town, city or borough, in excess of one thousand five hundred dollars; (4) state senator or probate judge, in excess of one thousand five hundred dollars; (5) state representative, in excess of seven hundred fifty dollars; or (6) any other office of a municipality not previously included in this subsection, in excess of three hundred seventy-five dollars. The limits imposed by this subsection shall apply separately to primaries and elections.

11. General Statutes § 9-622 (10) provides that the following people shall be guilty of an illegal practice: "Any person who solicits, makes or receives a contribution that is otherwise prohibited by any provision of this chapter[.]"

#### STATEMENT OF ALLEGED FACTS

##### *Allegations Concerning the Exploratory and Candidate Committees Formed by Respondent*

12. On or about January 13, 2017, the *Steve Obsitnik for Connecticut* exploratory committee was registered with Commission.
13. On or about October 1, 2017, Respondent registered the *Steve Obsitnik for Governor* candidate committee with the Commission.

##### *Allegations Concerning FixCT, Inc. and Scott DePetris*

14. Between March 21, 2017 and December 5, 2017, Scott DePetris, invited individuals to attend and contribute to fundraising events that he, with others, hosted to benefit the Respondent's exploratory committee, *Steve Obsitnik for Connecticut*, and candidate committee, *Steve Obsitnik for Governor*.
15. Sometime prior to September 25, 2017, Scott DePetris had a discussion with Respondent in which Respondent suggested Scott DePetris contact an attorney who practiced law with a law firm in Washington D.C. ("Lawfirm A"). Scott DePetris was not, at the time of the conversation, familiar with Lawfirm A nor had he been involved in forming an independent expenditure only political committee in the past.
16. On or about September 25, 2017, Respondent emailed Scott DePetris the contact information for the attorney at Lawfirm A. The email stated "See number below. He can't meet but can talk. Let's talk first."
17. In or about February or March of 2018, Lawfirm A provided legal advice to Scott DePetris concerning, among other things, the formation of an independent expenditure only political committee.
18. On or about April 20, 2018, *FixCT, Inc.* was registered with the Commission as an ongoing independent expenditure only political committee.

19. At all times during its existence, Scott DePetris was the chairperson of *FixCT, Inc.*
20. During the course of its existence, *FixCT, Inc.* raised and expended \$170,000.
21. *FixCT, Inc.* made expenditures of \$88,622.46 to benefit of Steve Obsitnik's candidacy for the Republican primary.

***Allegations Concerning Andrew Robert Grant***

22. On or about May 22, 2018, Respondent called Andrew Robert Grant.
23. In the May 22, 2018 call between Respondent and Andrew Robert Grant, Respondent indicated that Mr. Grant would be contacted by Scott DePetris.
24. On June 2, 2018, Andrew Robert Grant received an email from Scott DePetris indicating that he had started an independent expenditure political committee, which had selected the Respondent as the candidate it was going to support and requested that Andrew Robert Grant respond.
25. On June 11, 2018, Andrew Robert Grant received a follow up email from Scott DePetris and Andrew Robert Grant responded that he was not interested.

***Allegations Concerning Jason Perillo and FixCT, Inc.***

26. On or about December of 2017, Jason Perillo had a discussion with the eventual chairperson of *FixCT, Inc.* about forming a political committee to support Respondent.
27. Jason Perillo was involved in the selection of the name for *FixCT, Inc.*
28. For all times relevant herein, Jason Perillo was a volunteer advisor for *FixCT, Inc.* who engaged with the vendors of *FixCT, Inc.* concerning digital ad designs, communication strategies, polling activities. Jason Perillo drafted all of the communications promoting Respondent that were published by *FixCT, Inc.*
29. On or about April 24, 2018, Jason Perillo emailed a vendor of *FixCT, Inc.* stating, "I'm handling the spend side for the committee."
30. At all times during *FixCT, Inc.*'s existence Jason Perillo was involved with the decision to incur and/or strategy of every expenditure *FixCT, Inc.* made that was reported to the Commission as supporting and/or promoting Respondent's campaign for Governor of Connecticut.

*Allegations Concerning Respondent's Contacts with Jason Perillo*

31. Between January 24, 2017 and December 13, 2017 Jason Perillo, exchanged numerous emails with Respondent representatives of *Stephen Obsitnik for Connecticut*, and/or representatives of *Stephen Obsitnik for Connecticut*.
32. On or about April 18, 2017, Jason Perillo attended a meeting with Respondent and his campaign advisors concerning Respondent's campaign for Governor of Connecticut.
33. On or about April 18, 2017, a paid consultant of *Steve Obsitnik for Connecticut* emailed Jason Perillo and another individual associated with *Steve Obsitnik for Connecticut* listing a number of potential campaign slogans which stated in part, "FixCT: the more I hear this the more I like it. Need to test it in your speeches, get a feel how this sounds as you use it."
34. On or about December 4, 2017, Respondent emailed Jason Perillo and another individual images of his proposed campaign vehicle with the text "You guys happy now?"
35. On or about December 13, 2017, a paid consultant of *Stephen Obsitnik for Governor* emailed Respondent, Jason Perillo, and another individual stating, "Does Wednesday afternoon work for everyone to do a call cover convention, digital, overall strategy? Email on this chain days/times that work next week."
36. On or about December 13, 2017, Respondent, Jason Perillo, and a paid consultant of *Steve Obsitnik for Connecticut* participated in a telephone conference concerning Respondent's gubernatorial campaign.
37. On or about December 13, 2017, Jason Perillo emailed Respondent stating, "You know I'm happy to help! Hope you didn't mind the pushback on the call but I don't want to see your digital suffer because someone either doesn't have the time or the knowledge needed."
38. On or about March 27, 2018 Respondent informed an associate that Jason Perillo was going to be involved with an independent expenditure group supporting his campaign.
39. For all times relevant hereto, Jason Perillo was signatory to a firewall policy implemented by FixCt, Inc. to prevent impermissible coordination between FixCt, Inc. and Steve Obsitnik's candidate committee, Obsitnik for Governor, comply with Connecticut law, and avoid any appearance of impropriety.
40. On or about May 9, 2018 Jason Perillo emailed an individual who was an advisor to the Obsitnik campaign stating, "Can you get Kevin to run something on this?? There's a PAC. There's a poll. There's a video. SO is the best candidate in November." That email contained the body of an email published by *FixCT, Inc.* promoting Respondent. The individual never responded to that email.
41. On or about June 1, 2018, two relatives of Jason Perillo each made \$100 contributions to *Steve Obsitnik for Governor*.

42. On or about June 1, 2018, Respondent sent an email to Jason Perillo stating, "I do appreciate it. Play...fight...win."

#### DISCUSSION

43. Based upon the foregoing allegations, the Commission concludes that the independent expenditure only political committee, *FixCT, Inc.*, made expenditures to benefit Respondent's gubernatorial campaign.
44. The Commission further concludes that, based upon the allegations stated herein above, the expenditures made by *FixCT, Inc.* to benefit Respondent's gubernatorial campaign were not independent, but instead were coordinated between *FixCT, Inc.* and/or its agents and Respondent and/or his agents.
45. Specifically, the Commission concludes that the expenditures made by *FixCT, Inc.* to benefit Respondent's gubernatorial campaign were made with the consent, coordination, and/or consultation of Respondent.
46. The Commission further concludes that the expenditures made by *FixCT, Inc.* to benefit Respondent's gubernatorial campaign were made by a person that had been a fundraiser for *Steve Obsitnik for Connecticut* and *Steve Obsitnik for Governor*.
47. The Commission further concludes that the expenditures made by *FixCT, Inc.* to benefit Respondent's gubernatorial campaign were made by a person who had knowledge of the plans, project, and needs of *Steve Obsitnik for Governor* and that such knowledge was provided by the Respondent, *Steven Obsitnik for Connecticut*, *Steve Obsitnik for Governor*, and/or any agent thereof.
48. Because the Commission concludes that the expenditures made by *FixCT, Inc.* to benefit Respondent's gubernatorial campaign were not independent, the Commission further contends that such expenditures were impermissible contributions from *FixCT, Inc.* in violation of General Statutes §§ 9-618 and 9-622.

#### COUNT II

#### ALLEGATION

49. It is alleged that Respondent Stephen Obsitnik failed to form a candidate committee within ten days after making expenditures to promote his candidacy.

## RELEVANT LAW

50. General Statutes § 9-604 (a) provides that:

(a) Each candidate for a particular public office or the position of town committee member shall form a single candidate committee for which he shall designate a treasurer and a depository institution situated in this state as the depository for the committee's funds and shall file a committee statement containing such designations, not later than ten days after becoming a candidate, with the proper authority as required by section 9-603. The candidate may also designate a deputy treasurer on such committee statement. The treasurer and any deputy treasurer so designated shall sign a statement accepting such designation which the candidate shall include as part of, or file with, the committee statement.

51. Pursuant to General Statutes 9-601 (11), "candidate" is defined as:

an individual who seeks nomination for election or election to public office whether or not such individual is elected, and for the purposes of this chapter and chapter 157, an individual shall be deemed to seek nomination for election or election if such individual has (A) been endorsed by a party or become eligible for a position on the ballot at an election or primary, or (B) solicited or received contributions, other than for a party committee, made expenditures or given such individual's consent to any other person; other than a party committee, to solicit or receive contributions or make expenditures with the intent to bring about such individual's nomination for election or election to any such office. "Candidate" also means a slate of candidates which is to appear on the ballot in a primary for the office of justice of the peace. For the purposes of sections 9-600 to 9-610, inclusive, and section 9-621, "candidate" also means an individual who is a candidate in a primary for town committee members.

## STATEMENT OF ALLEGED FACTS

52. On or about April 22, 2016 Imagine Connecticut, Inc. was registered as a not-for-profit entity with Connecticut Secretary of the State. At all times relevant hereto, the Respondent was the principal officer of Imagine Connecticut, Inc.

53. Sometime prior to March 31, 2016, a communications consulting firm ("Company A") was engaged to provide various services to Imagine Connecticut, Inc.

54. On or about July 11, 2016, the chief executive officer of Company A sent an email to Respondent that included a spreadsheet entitled "Electoral History by Town" and that stated:

I wanted to share with you something we put together over the weekend looking at the GOP gubernatorial performance town-by-town for the past 14 years.

This is giving us a good clue as to where to begin focusing your efforts to build a coalition based on what districts were necessary for Rowland & Rell to win, versus where Foley floundered. Doing this through a methodical and data-driven manner will help keep your effort and budget focused.

What is so interesting is how CT went from swinging so hard for Rell in 2006, a mid-term year when we lost both houses of Congress, to electing Malloy twice. What's your take on this?

55. On or about July 11, 2016, Respondent sent an email in reply to the chief executive officer of Company A that included a spreadsheet entitled "Electoral History by Town" and that stated:

Nice work. I added a bit more to get a sense of size of win and size of town. You can see what I did at the bottom. I basically defined small, medium and large towns and close or big wins by party.

We can discuss and I want to take a fresh look to draw out conclusions.

However...how should this guide our thinking for early stage comms to GOP? Focus on historical strong GOP towns only?

Or focus on GOP towns of size that have been strong but recently shift left?

Let me know when you want to discuss. Good stuff!

56. On or about July 12, 2016, the chief executive officer of Company A sent an email to Respondent that included a spreadsheet entitled "Electoral History by Town" and that stated:

Thanks for this. The added context helps a lot.

Our idea is that initially we'll look at fundraising and building groundwork in the strong GOP towns since those will be most critical to getting through the primary. You just don't want to exhaust them financially early on since they'll be critical once you announce. But if you get them invested early, it's likely they'll stay invested. Then we can begin looking at getting into swing districts that have been shifting left lately.

I'm interested in what happened in 2006 given the historical context of the race. Because of the anti-Bush/War sentiment, Dems were highly motivated to turn out. We were about to lose Congress. And John Rowland had gone to prison – an administration Rell was part of, which is an easy political point to make. I'd be interested to learn what caused such a surge for her and gave her the most votes in CT history.

Do we have access to any current polling data?

57. On or about July 12, 2016, Respondent sent an email in reply to the chief executive officer of Company A that included a spreadsheet entitled "Electoral History by Town" and that stated:

Makes sense...so here are the towns that the GOP won by greater than 5% over the past three elections in each election sorted by size. See attached for more detail. Regarding Rell election...it was impressive. Don't have deep history but I think the incumbent, female LT Gov were very helpful and super majority in other houses may have given the people a reason to keep a nice person in that role. We can ask John...but thanks for kicking off this work.

58. On or about January 13, 2017, the *Steve Obsitnik for Connecticut* exploratory committee was registered with Commission.

59. On or about October 1, 2017, Respondent registered the *Steve Obsitnik for Governor* candidate committee with the Commission.

60. On or about December 26, 2017, Imagine Connecticut, Inc. was dissolved.

## DISCUSSION

61. Based upon the foregoing alleged facts, the Commission concludes that Respondent made expenditures to promote his candidacy for Governor of the State of Connecticut, through the not-for-profit group Imagine Connecticut, Inc., on or before July 12, 2016.
62. The Commission concludes that Respondent was a candidate for office, as defined by General Statutes § 9-601, by not later than July 12, 2016.
63. The Commission concludes that Respondent did not register as a candidate or register an exploratory committee until at least January 13, 2017.
64. Finally, the Commission concludes that Respondent failed to register as a candidate with the Commission within ten days of becoming a candidate in violation of General Statutes § 9-604.

## TERMS OF GENERAL APPLICATION

65. Respondent does not admit that the factual allegations and Commission conclusions contained herein are accurate or sufficient to establish that Respondent violated any of the statutes cited. The parties concur that the instant Agreement does not constitute an admission of liability by the Respondent, but rather the settlement of a contested matter.
66. Respondent admits to all jurisdictional facts and agrees that this Agreement and Order shall have the same force and effect as provided by statute for final decisions or orders and shall become final when adopted and issued by the Commission.
67. 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 contest the validity of the Order entered into pursuant to this Agreement.
68. Upon Respondent's agreement to comply with the Order hereinafter stated, the Commission shall not initiate any further proceedings against Respondent in connection with this matter.
69. 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 Respondent Stephen Obsitnik shall henceforth comply with General Statutes §§ 9-604, 9-618 and 9-622.

It is further ordered that Respondent Stephen Obsitnik shall pay a civil penalty of \$90,000.

**Respondent:**

By: SEVL  
Stephen Obsitnik

Marino Zabel & Shellenberg, PLLC  
657 Orange Center Road  
Orange, CT 06477  
*Attorneys for Stephen Obsitnik*

Dated: 3/16/21

**For the State of Connecticut:**

By: [Signature]  
Michael J. Brandi  
Executive Director and General Counsel  
and Authorized Representative of the  
State Elections Enforcement Commission  
55 Farmington Ave., 8<sup>th</sup> Floor  
Hartford, Connecticut 06105

Dated: 3/17/2021

Adopted this 7<sup>th</sup> day of March, 2021 at Hartford, Connecticut by vote of the Commission.

[Signature]  
STEPHEN T. PERRY  
Chairman  
By Order of the Commission