

RI Democratic State Committee v Paul Santoro et al

Investigation Conducted By: Richard E. Thornton, Director of Campaign Finance

COMPLAINT

On November 3, 2016, RI Democratic State Committee and Joseph M. McNamara as Chairman, filed a complaint against candidate Paul Santoro and his Treasurer, Peter Santoro, alleging violations of RI campaign finance law:

1. On October 31, 2016, Treasurer Peter Santoro filed an Independent Expenditure report indicating he had personally spent \$2,708.17 to defeat Peter Santoro's opponent Mia Ackerman;
2. As Treasurer for Paul Santoro, Peter Santoro's expenditure to defeat Paul Santoro's opponent is not independent, but rather coordinated with, and a contributed in-kind to, candidate Paul Santoro pursuant to R.I.G.L. 17-25.3-1, 17-25-23 and 17-25-10.1;
3. Because Treasurer Peter Santoro's expenditure on behalf of/contribution in-kind to candidate Paul Santoro was greater than \$1,000.00, it exceeded the annual allowable contribution limit pursuant to R.I.G.L. 17-25-10.1; and
4. Treasurer Peter Santoro's expenditure on behalf of candidate Paul Santoro amounts to illegal coordination pursuant to R.I.G.L. 17-25.3.

INVESTIGATION

On November 7, 2016, Director of Campaign Finance, Richard E. Thornton ("Thornton") e-mailed candidate Paul Santoro and his Treasurer Peter Santoro, sending a copy of the Complaint and a request that each examine and respond to the allegations no later than November 14, 2016.

1. Candidate Paul Santoro responded on November 11, 2016, declaring he "had no notice" and was "unaware" his Treasurer was going to send out a mailer on his behalf;
2. Treasurer Peter Santoro responded on November 11, 2016, declaring he made the expenditure without the candidate's "consent, involvement or approval."

ACTION

On December 22, 2016, Director Thornton e-mailed candidate Paul Santoro and Treasurer Peter Santoro requesting the candidate's 7 Days Before Election report, for the reporting period October 11 through October 31, be amended to include \$2,708.17 in-kind contribution to candidate Paul Santoro from Treasurer Peter Santoro.

On December 30, 2016, Director Thornton e-mailed candidate Paul Santoro requesting the candidate reimburse Treasurer Peter Santoro \$1,708.17 and to provide evidence of such.

As a result, the following remedial action was taken:

1. On January 3, 2017, candidate Paul Santoro amended his 7 Days Before Election report to include \$2,708.17 received in-kind from Treasurer Peter Santoro, and presented a copy of the check written from his campaign account to reimburse Treasurer Peter Santoro \$1,708.17, representing the amount received in excess of the allowable annual limit.

RECOMMENDATION

Pursuant to *Policy on Fines & Penalties For Contributions Made & Received in Excess of the Allowable Annual Contribution Limits*, adopted June 1, 2004, a warning to contributor Peter Santoro against making any further contributions which exceed the allowable annual limits and to recipient Paul Santoro against accepting contributions which exceed the allowable annual limits.

On January 18, 2017, the Board voted unanimously to approve the Recommendation.