

Joe Lazar, CD #44 (March 2010)

1. Failing to report and document in-kind contributions \$500

Campaigns must report all in-kind contributions received. *See* Admin. Code § 3-703(6); Board Rule 3-03. Campaigns must also provide a record that describes each in-kind contribution and demonstrates its fair market value. *See* Admin. Code §§ 3-702(8), 3-703(1)(d) and (g); Board Rules 1-04(g)(2), 4-01(c).

The Campaign failed to report expenditures for several items and failed to document the items properly as in-kind contributions.

The Board assessed a penalty of \$500 for these violations.

2. Cooperating in alleged independent expenditures with two entities \$20,000

Campaigns must account for and report non-independent activity conducted on their behalf. *See* Admin. Code § 3-702(8); Board Rule 1-08(f); CFB Advisory Opinion No. 2009-7 (Aug 6, 2009).

The Campaign failed to rebut the presumption that expenditures made by United New York Democratic Club Inc. (“United NY”) and Friends of Dov Hikind were non-independent. Among other evidence of non-independent activity:

- The Campaign’s Deputy Campaign Manager received payments from both the Campaign and United NY.
- The Campaign rented and shared space within United NY’s office.
- The Campaign, United NY, and Friends of Dov Hikind had overlapping financial relationships throughout the 2010A special election campaign.
- Expenditures made by Friends of Hikind were not reasonably attributable to Mr. Hikind’s Assembly District campaign based on their timing and purpose.

The Board assessed penalties totaling \$20,000 for these violations.

3. Exceeding the expenditure limit \$123,874

Candidates who participate in the Campaign Finance Program must abide by limits on the amount of money they can spend on their campaigns. *See* Admin. Code § 3-703(1)(i), 3-706, 3-711(2)(a); Board Rules 1-08(d), (l). If not independent, expenditures made by third parties are subject to expenditure limits. *See* Board Rule 1-08(f)(2), (3). The expenditure limit for City Council candidates in the 2010A special election was \$168,000.

The Campaign exceeded the expenditure limit by \$41,291.33, or 24.58 percent.

The Board assessed a penalty of \$123,874 for this violation.