

## **Statement of Allegations**

### **Facts**

Fred Gattuso (“Gattuso”) was a candidate for Mayor of the Borough of Carteret in the 2018 Republican primary election. He was successful in the primary election on June 6, 2018, and is now running in the 2018 general election.

On April 11, 2018, Gattuso set up a GoFundMe website in which he promotes his candidacy for Mayor of Carteret and solicits visitors to contribute to his campaign. *See* Exhibit A (Fred Gattuso for Mayor GoFundMe website, <https://www.gofundme.com/fred-gattuso-for-mayor-fund>, April 11, 2018). Anyone may contribute to Gattuso via credit card through the website while disclosing little to no information.

On June 6, 2018, during primary election season<sup>1</sup>, Gattuso published a post on the Fred Gattuso for Mayor of Carteret, NJ Facebook page thanking his supporters and asking for contributions for the general election. *See* Exhibit B (Fred Gattuso for Mayor of Carteret, NJ Facebook Page, <https://www.facebook.com/fredgattusoformayor/posts/2104206586288150>, June 6, 2018). In that post, Gattuso writes, “Everything we have done from t shirts, lawn signs, flyers, parties, etc have come from donations. Please if you can, no matter how little or big, please donate cause every penny is going back to help the residents. If you don’t want to do the gofundme we also accept cash, checks, wire transfers, bitcoin, Litecoin, crypto currencies, etc.”

On July 9, 2018, a lawn sign was observed advocating Gattuso for Mayor and Merritt and Gallo for Council. *See* Exhibit C (Gattuso Lawn Sign, July 9, 2018). The sign includes a line saying that it was paid for by the Commission to Elect Fred Gattuso for Mayor, but does not include an address.

### **Violations of Law**

#### **ELEC Reports**

As of July 9, 2018, Gattuso has failed to file any disclosure reports with ELEC for the 2018 general election, in violation of N.J.A.C. 19:25-8.1, 8.2. Based on his Facebook post, Gattuso acknowledges that the contributions his campaign received is used to purchase t-shirts, lawn signs, and flyers, as well as hold events in support of his candidacy.

#### **Bitcoin**

The Campaign Contributions and Expenditures Reporting Act, N.J.S.A. 19:44A-1, et seq., and ELEC regulations, N.J.A.C. 19:25-1.1, et seq., explicitly permit four methods of contributions to candidates for elective office: currency, check or other negotiable instrument, electronic transfer of funds (e.g. credit card transactions), and in-kind contributions of goods and/or services.

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<sup>1</sup> Per Exhibit B, Gattuso was soliciting contributions for the 2018 general election via his June 6 Facebook post. However, per ELEC’s reporting calendar, the 20-day postelection report was due June 25, 2018. Therefore, any contributions received between the 2018 primary election date and June 25, 2018 should count towards the 2018 primary election.

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In his June 6, 2018 Facebook post, Gattuso writes that not only does he accept contributions via cash, check, or wire transfer, but he accepts Bitcoin, Litecoin, and other cryptocurrency contributions. As opposed to fiat currency, such as the U.S. dollar, cryptocurrency is not legal tender and is not backed by any central government or bank. Cryptocurrencies do not fall under any of the permitted contribution methods under the Campaign Contributions and Expenditures Reporting Act or ELEC regulations, nor is there any guidance from ELEC suggesting that cryptocurrencies are a permissible method of contribution.

### **Anonymous Contributions**

N.J.S.A. 19:44A-20 and N.J.A.C. 19:25-10.8 explicitly prohibit the making of an anonymous contribution to a candidate committee. Gattuso's GoFundMe website allows contributions to be made anonymously, a violation of N.J.S.A. 19:44A-20 and N.J.A.C. 19:25-10.8. Currently, Gattuso's GoFundMe website lists three anonymous contributions, including a \$500 contribution which is over the reporting threshold and has yet to be disclosed.

### **Recordkeeping Requirements**

Pursuant to N.J.A.C. 19:25-7.1, candidate committees must make and maintain a written record of all funds or contributions, including the contributor's name, address, occupation, and employer address. On Gattuso's GoFundMe website, there is no place throughout the contribution process for contributors to include an address, occupation, or employer address. In addition, there is no disclaimer or notification to contributors on the website that they must disclose this information. Gattuso's failure to collect and maintain such information for each contributor is a violation of N.J.A.C. 19:25-7.1.

### **Paid-For Statement**

Pursuant to N.J.A.C. 19:25-7.1, whenever a candidate or candidate committee incurs an expenditure for the purpose of making a communication promoting the election or defeat of a candidate, the communication must include a paid for statement that clearly states the name and address of the candidate or candidate committee. Gattuso has consistently failed to include a paid-for statement on political communications supporting his candidacy, violating N.J.A.C. 19:25-7.1. Lawn signs (as seen in Exhibit C) and numerous other items do not contain the required paid-for language.

In addition, there is no paid-for statement on Gattuso's GoFundMe website. The website includes a statement from Gattuso supporting his candidacy for Mayor of Carteret. In setting up and maintaining a GoFundMe website, a person or entity receiving contributions must pay a 2.9% payment processing fee from the contributions received, as well as \$0.30 per contribution. Because Gattuso is incurring an expenditure for the purpose of making a communication promoting his own election, as well as allowing Internet contributions, Gattuso is required to include a paid-for statement on his GoFundMe website. However, nowhere on the website is there any mention of the name of his candidate committee or the committee's address.

## **Statement of Allegations**

### **Safeguards Against Prohibited Contributions**

Gattuso's GoFundMe website has insufficient safeguards to ensure that all contributions received from the website are legally permissible. Online campaign solicitations generally include disclaimers regarding contribution limits, permitted methods of contribution, or persons or entities prohibited from making a contribution. They may also require contributors to affirm that they are a U.S. citizen, 18 years of age or over, or contributing with their own funds. Gattuso's GoFundMe website contains no such disclaimers or affirmations; the only information required to make a contribution is a name and credit card number, which is insufficient to verify that a particular contribution is permissible.

# EXHIBIT A



## Fred Gattuso for Mayor

Hello everyone,

My name is Fred Gattuso and I am running for Mayor of Carteret, NJ in the 2018 election this November as The Republican GOP Candidate.

Prior to joining the run for Mayor, I have worked with special needs children as a Paraprofessional in school systems as well as a Home Care Aide in NYC and NJ. I have also had the honor of working in a Veterans Home and proudly served those who served and was a part of The Division of Military and Veterans Affairs. In addition, I have worked in demolition for many years as a machine operator and have been a Quality Control Manager for a corporate business.

I am a block leader of the Neighborhood Crime Watch in Carteret since 2010 as well as a member of the Carteret Historical Society. I am a Notary Public, and in 2011-2013, I was on the list to be a police officer in Carteret.

Some areas that I have advocated for include gay rights, special needs children, victims of domestic and sexual violence, police brutality, human rights and equality. I will continue to be dedicated to people who feel they have no voice and are being oppressed.

I am from the people and for the people, and that is why we are called "Team Carteret." The strength of Carteret will come from the diversity of the people working to come together. Therefore, we will all work hand in hand for what is right for the Borough of Carteret and the residents.

I am trying to raise funds to help in my campaign for the election of 2018 that I am running for the position of Mayor of the Borough of Carteret, NJ, which is why I have created this GoFundMe to help with the costs. We will use these funds for promotional items, advertising, and for events to help in the campaign. I am fighting for the residents of Carteret to take back the power in their borough which many feel they have lost throughout the years with the current administration who for far too long have put profit over the people. Any and all donations will go towards the campaign and to help the residents of the Borough of Carteret regain their voices which many feel have been silenced for such a long time. I would like to hear any and all concerns, questions, wants, needs, and wishes of the residents in this campaign so we can work together to achieve the changes the Borough of Carteret desperately needs. Please feel free to contact me on my phone number 732-501-6782

If you could please support my GoFundMe by making a donation and then sharing it with your network, I would greatly appreciate it.

Last but not the least, I would like to share with you the platform that Team Carteret is running on which we created by working with the residents and what they would like to see changed and improved.

1) Improve our school system by:

-offering life skills courses including Family and Consumer Sciences (food and nutrition, financial planning), technology (computer programming, web design), and trades (shop, automotive, plumbing);

**\$1,410** of \$30,000 goal


Raised by 18 people in 2 months


### Recent Donations ▾

**\$100**  
DP Dave Patel  
([https://www.gofundme.com/mvc.php?route=person\\_profile/byDid&d=kv83tg7pUaf3UZCq83tg7pUaf3UZCqMtrAboLqUg3DRgEvfgiydq4SMw%3D](https://www.gofundme.com/mvc.php?route=person_profile/byDid&d=kv83tg7pUaf3UZCq83tg7pUaf3UZCqMtrAboLqUg3DRgEvfgiydq4SMw%3D))  
2 months ago

**\$25**  
SG Sean Goulbourne  
([https://www.gofundme.com/mvc.php?route=person\\_profile/byDid&d=vak3kx8CEVZDUcx:k3kx8CEVZDUcx1laSEMrrwPLdvd3WMWCNqPJn7WECA%3D](https://www.gofundme.com/mvc.php?route=person_profile/byDid&d=vak3kx8CEVZDUcx:k3kx8CEVZDUcx1laSEMrrwPLdvd3WMWCNqPJn7WECA%3D))  
2 months ago

**\$100**  
DK Dilnoza Khazratkulova  
([https://www.gofundme.com/mvc.php?route=person\\_profile/byDid&d=zKzMvelj7RmmoTDIzMvelj7RmmoTDHjB6NWk9p8ilv8DMk5fJjXGwOg98%3D](https://www.gofundme.com/mvc.php?route=person_profile/byDid&d=zKzMvelj7RmmoTDIzMvelj7RmmoTDHjB6NWk9p8ilv8DMk5fJjXGwOg98%3D))  
2 months ago

**\$20**  
 patricia kutzer  
([https://www.gofundme.com/mvc.php?route=person\\_profile/byDid&d=jhc%2BrD8MhrsMK%2BrD8MhrsMKvB4Ez99itTOHNnaIEzCkPO8DNMmEFw%3D](https://www.gofundme.com/mvc.php?route=person_profile/byDid&d=jhc%2BrD8MhrsMK%2BrD8MhrsMKvB4Ez99itTOHNnaIEzCkPO8DNMmEFw%3D))  
2 months ago

**\$50**  
 Anonymous  
2 months ago

**\$50**  
JE John Enghauser  
([https://www.gofundme.com/mvc.php?route=person\\_profile/byDid&d=l8maUFm8rTE7%2FmaUFm8rTE7%2FSNFxUHN9OhnTwZRYNcTy3AQfKf3%2Fs%3D](https://www.gofundme.com/mvc.php?route=person_profile/byDid&d=l8maUFm8rTE7%2FmaUFm8rTE7%2FSNFxUHN9OhnTwZRYNcTy3AQfKf3%2Fs%3D))  
2 months ago

**\$25**  
EC Elena Chua  
([https://www.gofundme.com/mvc.php?route=person\\_profile/byDid&d=%2FnIjp9xMZcU4h](https://www.gofundme.com/mvc.php?route=person_profile/byDid&d=%2FnIjp9xMZcU4h))  
2 months ago

- expanding services and in-house therapies for special needs students; and
- providing after-school programs and summer camps to all students.
- 2) Cease the development of new apartment buildings and instead build new schools.
- 3) Create and enforce a two-term limit for mayor.
- 4) Increase the number of trained firefighters and police officers, upgrade their equipment, and expand the volunteer program.
- 5) Improve roads, upgrade the sewer system, and increase weekly garbage and recycling pickups.
- 6) Provide affordable day care services for single parents and working families.
- 7) End property tax hikes as well as create a tax rebate for senior-owned homes.
- 8) Develop a program to rehabilitate those addicted to heroin and opioids.

This is a great challenge in the part of my life. I believe that with your support, Team Carteret will win this election and help achieve CHANGE that many of us have been wanting for years now. I look forward to serving you all as the next Mayor.

Thank You,

Fred Gattuso



(<https://m.facebook.com/fredgattusoformayor/>)/<https://m.facebook.com/fredgattusoformayor/>  
(<https://m.facebook.com/fredgattusoformayor/>)

[FnIjp9xMZcU4hHSnCsI64plfR1EDSe%2FGum27XuvnyOU%3D](#))  
2 months ago

**\$25**  
MB [Maricar Bascon](#)  
([https://www.gofundme.com/?route=person\\_profile/byDid&d=Z1gxOM4jsVgD%2Fhp2route=person\\_profile/byDid&d=Z1gxOM4jsVgD%2FvJKvt93lAVv14GhTLJ3fe9XDdYOFT4%3D](https://www.gofundme.com/?route=person_profile/byDid&d=Z1gxOM4jsVgD%2Fhp2route=person_profile/byDid&d=Z1gxOM4jsVgD%2FvJKvt93lAVv14GhTLJ3fe9XDdYOFT4%3D))  
2 months ago

**\$25**  
FE [Fred Esposito](#)  
([https://www.gofundme.com/?route=person\\_profile/byDid&d=OX1EfaB%2BC8iyX;route=person\\_profile/byDid&d=OX1EfaB%2BC8iyXZOJ5jMLSjPnTP14k2asg9Pn5LuB6IM%3D](https://www.gofundme.com/?route=person_profile/byDid&d=OX1EfaB%2BC8iyX;route=person_profile/byDid&d=OX1EfaB%2BC8iyXZOJ5jMLSjPnTP14k2asg9Pn5LuB6IM%3D))  
2 months ago

**\$500**  
Anonymous  
2 months ago

Viewing 10 of 18 Donations

[Help](#)

## Enter your donation

\$

USD

.00

GoFundMe has a 0% platform fee for organizers and relies on the generosity of donors like you to operate our service.

Thank you for including a tip of:

10%

Total charge:

Your Name

[USE MY FACEBOOK INFO](#)

First Name

Last Name

Hide name and comment from everyone but the organizer.

Your Email

Country

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United States



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Fred Gattuso for Mayor



\$1,410 of \$30,000

Raised by 18 people in 2 months

About the Organizer

Fred Gattuso

Not Facebook Verified

This person will receive your donation directly.

Donation is protected by GoFundMe Guarantee.

Help

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[Help](#)

Total Charge: \$11.00

/

**Next**

Fred Gattuso for Mayor



\$1,410 of \$30,000

Raised by 18 people in 2 months

# **EXHIBIT B**

Fred Gattuso for Mayor of Carteret, NJ

Paul Home



Fred Gattuso for  
Mayor of Carteret,  
NJ

@fredgattusoformayor

Home

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Create a Page

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Fred Gattuso for Mayor of Carteret, NJ

June 6 ·

After securing the nomination for The Republican Party in The Primary Election yesterday with the highest votes in a primary in 10 years for a Republican ( meanwhile the million dollar mayor's votes went down ), I'm happy to announce The Battle for the Borough is officially on and come November 6th we will take back our borough. Team Carteret could never have made it through the primaries without the help and support of the supporters, and we will never be able to make it through to the general election without the help and support of the supporters. Everything we have done from t shirts, lawn signs, flyers, parties, etc have come from donations. Please if you can, no matter how little or big, please donate cause every penny is going back to help the residents. If you don't want to do the gofundme we also accept cash, checks, wire transfers, bitcoin, Litecoin, crypto currencies, etc. Please, if you can donate to The Committee to Elect Fred Gattuso for Mayor fund, you can contact me at +17325016782 or message me and I can fill you in on how you can donate if you don't want to do the gofundme.

Please help me help you on our mission to take back our borough.

Thank you.

Fred Gattuso, Mayor Candidate

#teamcarteret

<https://www.gofundme.com/fred-gattuso-for-mayor-fund>



GOFUNDME.COM

Click here to support Fred Gattuso for  
Mayor organized by Fred Gattuso

Hello everyone, My name is Fred Gattuso and I am running for Mayor of Carteret, NJ in the 2018 election this November as The Republican GOP...

20

10 Comments 2 Shares

Like

Comment

Share

Oldest



Michele Lance Bulatowicz Go get them! 2

Like · Reply · 4w



Fred Gattuso for Mayor of Carteret, NJ



Like · Reply · 4w



Sharon Toohey Way to go Fred!!!! That's awesome! 2

Like · Reply · 4w



Fred Gattuso for Mayor of Carteret, NJ



Like · Reply · 4w



Iris Santiago Dennis

Political Organization in Carteret, New Jersey

Community

See All

Invite your friends to like this Page

520 people like this

551 people follow this

About

See All



(732) 501-6782

Typically replies within an hour  
Send Message

[fredgattusoformayor.com](http://fredgattusoformayor.com)

Political Organization

Suggest Edits

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Dan Reiman

Politician

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PBA Local # 47

Nonprofit Organization

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Carteret Professional ...

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Political Organizations in Carteret, New Jersey

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Chat (25)

# EXHIBIT C

*Team Carteret*  
**GATTUSO**

FOR  
MAYOR

*Merritt and Gallo*  
For Council

Paid for by the Commission to Elect Fred Gattuso for Mayor

