CIVIL PENALTY REFERRAL

Lobbyist: Friends of New York Racing, Inc.

Client: Friends of New York Racing, Inc.

Penalties Assessed Against: Jared Abbruzzese, Director

Referral 1: Violation of the gift ban, Section 1-m: Maximum Penalty - \$25,000

Referral 2: Violation of the gift ban, Section 1-m: Maximum Penalty - \$25,000

Referral 3: Violation of the gift ban, Section 1-m: Maximum Penalty - \$25,000

Referral 4: Four violations of the gift ban, Section 1-m: Maximum Penalty \$100,000

Referral 5: Violation of the gift ban, Section 1-m: Maximum Penalty - \$25,000

Referral 6: Violation of the gift ban, Section 1-m: Maximum Penalty - \$25,000

Referral 7: Violation of the gift ban, Section 1-m: Maximum Penalty - \$25,000

These referrals stem from private helicopter and jet flights provided to public officials in 2005 and 2006.

THE LAW

Section 1-m of the Lobbying Act provides that no person or organization required to file a statement or report pursuant to the Act shall offer or give a gift with a value in excess of seventy-five dollars to any public official.

Subdivision j of Section 1-c of the Lobbying Act provides that a gift shall mean anything of value given to a public official including, but not limited to, food, beverages, entertainment or tickets to events where the general public is charged for admission.

Subdivision b of Section 1-o of the Lobbying Act provides, in part, that a lobbyist, public corporation, or client who knowingly and willfully ... violates section one-m of the Act shall be subject to a civil penalty, in an amount not to exceed twenty-five thousand dollars, to be assessed by the commission.

BACKGROUND

Referral 1. On January 28, 2005, Senator Joseph Bruno was a passenger on a round trip private jet flight from Albany, New York to Washington, D. C. A Tripsheet Report (Exhibit 1) obtained by the New York Temporary State Commission on Lobbying

(Commission) shows that Mr. Jared Abbruzzese arranged the flight, and a handwritten note indicates that Senator Bruno was a guest of Mr. Abbruzzese. The Tripsheet Report also shows that the cost of the round trip flight was in excess of \$7,000.

- **Referral 2.** On February 22, 2005, Senator Bruno was a passenger on a private jet flight from Albany, New York to Wilmington, North Carolina, to Fort Lauderdale, Florida, then to West Palm Beach, Florida. A Tripsheet Report (Exhibit 2) obtained by the Commission shows that Mr. Abbruzzese arranged the flight. The Tripsheet Report also shows that the cost of the flight was in excess of \$8,000.
- **Referral 3.** On February 25, 2005, Senator Bruno was a passenger on a private jet flight from West Palm Beach, Florida, to Wilmington, North Carolina then to Albany, New York. A Tripsheet Report obtained by the Commission (Exhibit 3) shows that Mr. Abbruzzese arranged the flight, and a handwritten note indicates that Senator Bruno was a guest of Mr. Abbruzzese. The Tripsheet Report shows that the cost of the flight was in excess of \$5,000.
- Referral 4. On December 1, 2005, four New York State public officials, Senator Burno, Kenneth Riddett, Edward Lurie and Steven Boggess, were passengers on a private jet flight from Schenectady, New York to New York City. A Tripsheet Report (Exhibit 4) obtained by the Commission shows that Mr. Abbruzzese arranged the flight and a typed note indicates that Mr. Abbruzzese intended to pay for the flight on behalf of the four public officials. Records obtained by the Commission indicate that Richmor Aviation calculated the cost of the flight to be \$4,138.75
- **Referral 5.** On January 11, 2006, Senator Bruno was a passenger on a private jet flight from Albany, New York to West Palm Beach, Florida. A Tripsheet Report (Exhibit 5) obtained by the Commission shows that Mr. Abbruzzese arranged the flight. The Tripsheet Report shows that the cost of the flight was in excess of \$4,000.
- **Referral 6.** On January 13, 2006, Senator Bruno was a passenger on a round trip private helicopter flight from West Palm Beach, Florida, to Gulfstream Park. A Tripsheet Report obtained by the Commission (Exhibit 6) shows that Mr. Abbruzzese arranged the flight. The Tripsheet Report shows that the cost of the flight was in excess of \$3,000.
- **Referral 7.** On January 14, 2006, Senator Bruno was a passenger on a private jet flight from West Palm Beach, Florida to Albany, New York. A Tripsheet Report (Exhibit 7) obtained by the Commission indicates that Mr. Abbruzzese arranged the flight. The Tripsheet report shows that the cost of the flight was in excess of \$3,000.

The Commission obtained the sworn testimony of three employees of Richmor Aviation (Malia Keeler - Exhibit 8, Sharyn Richards - Exhibit 9 and Teri Riegel - Exhibit 10) which confirmed the actions taken by Mr. Abbruzzese and his representatives to provide the private jet flights to the public officials. The sworn testimony outlined the initial requests by Mr. Abbruzzese or his representatives and numerous follow up communications relating to the details and subsequent changes. The sworn testimony indicated that, in each instance, Mr. Abbruzzese intended to provide the flights at no cost to the public officials.

ANALYSIS

The Commission interviewed Mr. Tim Smith, President of Friends of New York Racing, Inc. In his statement (Exhibit 11), and in three memos (Exhibits 12, 13 and 14) to the Board of Friends of New York Racing, Inc., referred to in his statement, Mr. Smith confirmed the role Mr. Abbruzzese, as a director of Friends of New York Racing, Inc., played in relation to Senator Bruno. Mr. Smith confirmed that on at least one occasion, Mr. Abbruzzese arranged a meeting between Mr. Smith and Senator Bruno. Mr. Smith also stated that he had conversations with Mr. Abbruzzese relating to political advice and policy advice Mr. Abbruzzese believed would be favored or addressed, based upon what Mr. Abbruzzese believed Senator Bruno would support. Mr. Smith stated his belief that Mr. Abbruzzese and Senator Bruno were good friends and spoke periodically about racing in New York.

At all times in question, Mr. Abbruzzese was a director of Friends of New York Racing, Inc., which Commission records show was registered and filed reports as a lobbyist, and filed reports as a client. A corporation, being an artificial entity existing wholly in the conception of the law, must of necessity act through its agents, officers and directors. The directors are the executive representatives of a corporation. As a director of Friends of New York Racing, Inc., a corporation which was both a registered lobbyist and a client, Mr. Abbruzzese was subject to the jurisdiction of the Lobbying Act, specifically in this case, the gift ban of Section 1-m.

REFERRALS

- **Referral 1.** Mr. Abbruzzese offered a gift in excess of \$75 to a public official, resulting in violation of Section 1-m of the Lobbying Act, subject to a penalty of up to \$25,000 in accordance with Section 1-o of the Act.
- **Referral 2.** Mr. Abbruzzese offered a gift in excess of \$75 to a public official, resulting in a violation of Section 1-m of the Lobbying Act, subject to a penalty of up to \$25,000 in accordance with section 1-o of the Act.
- **Referral 3.** Mr. Abbruzzese offered a gift in excess of \$75 to a public official, resulting in a violation of Section 1-m of the Lobbying Act, subject to a penalty of up to \$25,000 in accordance with Section 1-o of the Act.

- **Referral 4.** Mr. Abbruzzese offered gifts in excess of \$75 to four public officials, resulting in four violations of Section 1-m of the Lobbying Act, subject to a penalty of up to \$100,000 in accordance with Section 1-o of the Act.
- **Referral 5.** Mr. Abbruzzese offered a gift in excess of \$75 to a public official, resulting in a violation of Section 1-m of the Lobbying Act, subject to a penalty of up to \$25,000 in accordance with Section 1-o of the Act.
- **Referral 6.** Mr. Abbruzzese offered a gift in excess of \$75 to a public official, resulting in a violation of Section 1-m of the Lobbying Act, subject to a penalty of up to \$25,000 in accordance with Section 1-o of the Act.
- **Referral 7.** Mr. Abbruzzese offered a gift in excess of \$75 to a public official, resulting in a violation of Section 1-m of the Lobbying Act, subject to a penalty of up to \$25,000 in accordance with Section 1-o of the Act.