

## NEWS FROM: THE JOINT COMMISSION ON PUBLIC ETHICS

MICHAEL K. ROZEN ACTING CHAIR

SETH H. AGATA EXECUTIVE DIRECTOR

## FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION CONTACT 518.408.3976

## JCOPE SETTLES ALLEGED LOBBYING ACT VIOLATIONS WITH COMPANIES NAMED IN SILVER, SKELOS TRIALS

Glenwood Management, Administrators for the Professions agree to pay combined \$270,000 in fines

ALBANY, NY (December 28, 2016) – The Joint Commission on Public Ethics ("Commission") announced today that it has reached separate agreements with Glenwood Management Corp. ("Glenwood") and Administrators for the Professions, Inc. ("AFP") to settle alleged violations of the Lobbying Act that came to light during the federal criminal prosecutions of former Assembly Speaker Sheldon Silver and former Senate Majority Leader Dean Skelos. Glenwood will pay a penalty of \$200,000 and AFP will pay a penalty of \$70,000 as part of those settlements.

Glenwood is a major real estate management company with significant interests in the New York City metropolitan area. In its agreement, Glenwood has admitted that it violated the Lobbying Act by failing to disclose activities and meetings related to lobbying Skelos in its Client Semi-Annual Reports and by failing to submit required Statements of Registration and Lobbyist Bi-Monthly Reports reflecting lobbying activity on its own behalf. In so admitting these wrongful acts, Glenwood acknowledged that it had retained a tax certiorari law firm knowing that a portion of the fees paid would be shared with Silver, who would perform no work in connection with such legal services.

Glenwood also acknowledged that it recommended to an environmental technology company that the firm hire Skelos's son, Adam, as a consultant, and arranged for another company to pay the younger Skelos a referral fee. Glenwood said it made those arrangements regarding Silver and Skelos out of concern that losing the support and influence of the then-powerful lawmakers would harm its business interests.

In addition to the financial penalty, Glenwood has agreed to submit the required statements and reports for the 2011-2012 and 2013-2014 lobbyist registration periods.

AFP is a company that managed the business operations of Physicians Reciprocal Insurers ("PRI"), a multimillion dollar reciprocal insurance company that provides insurance coverage for

medical professionals, hospitals, clinics, and medical schools and colleges in New York. In its agreement, AFP acknowledged that in the course of lobbying Skelos on matters related to medical malpractice insurance, it employed Adam Skelos after the Senator told company representatives his son needed a job with health benefits.

AFP admitted that the younger Skelos did not perform that job, which was ostensibly to promote PRI's services to prospective clients, but he was kept on the payroll at the former Senator's request and out of concern that not doing so would harm the company's business interests.

"These settlement agreements are the result of cooperation between the Commission and the United States Attorney for the Southern District of New York and mark a major milestone in ethics law enforcement," said Executive Director Seth H. Agata. "The lawmakers who sought to use their official positions to secure unwarranted privileges have already been punished; the clients of lobbyists who facilitated these acts and provided those public officers with such special benefits are now facing the consequences of their actions."

To read the Commission's settlement agreements with Glenwood Management Corp. and Administrators for the Professions, Inc., click here.