

**MINUTES OF THE PUBLIC SESSION OF THE
APRIL 28, 2015
COMMISSION MEETING
OF THE JOINT COMMISSION ON PUBLIC ETHICS
HELD AT THE COMMISSION'S OFFICE LOCATED AT
540 BROADWAY
ALBANY, NEW YORK**

Chair: Daniel J. Horwitz (NYC)

Members: Paul Casteleiro (ALB)
Hon. Joseph Covello (ALB)
Marvin Jacob (Webex)
Seymour Knox, IV (ALB)
Gary J. Lavine (ALB)
David A. Renzi (Webex)
Michael A. Romeo, Sr. (Webex)
Hon. Renee R. Roth (Webex)
Michael K. Rozen (Webex)
Dawn L. Smalls (NYC)
George Weissman (ALB)

Members

Absent: David Arroyo
Hon. Mary Lou Rath

Staff: Letizia Tagliafierro, Executive Director
Monica J. Stamm, Chief of Staff and Deputy Counsel
John T. Milgrim, Director for External Affairs
Steve Boland, Director for Administration
Martin L. Levine, Director of Lobbying and Financial Disclosure Compliance and
Senior Counsel
Pei Pei Cheng-deCastro, Director of Investigations and Enforcement
Emily A. Logue, Investigative Counsel
Shari Calnero, Senior Counsel and Manager of Training
Lou Manuta, Associate Counsel
Michael Sande, Associate Counsel
Leah Ramos, Associate Counsel
Patrick E. Coultry, Chief Investigator
Peter Smith, Confidential Investigator
Lori Donadio, Confidential Legal Assistant
Deborah Novak, Executive Assistant

I. CALL TO ORDER

Chair Horwitz called the April 28, 2015 Commission Meeting to order and welcomed Commissioner Dawn Smalls to JCOPE.

II. APPROVAL OF MINUTES – PUBLIC SESSION

March 31, 2015

A motion was made by Commissioner Roth, which was seconded by Commissioner Weissman, to approve the minutes from the Public Session of the March 31, 2015 Commission Meeting. The motion was approved by unanimous vote.

Chair Horwitz announced that a draft of JCOPE’s 2014 Annual Report was circulated yesterday to Commissioners with the intention to release the report later this week. Chair Horwitz wants to ensure Commissioners have adequate time to review the report, and if Commissioners have any questions or comments they should contact staff as soon as possible.

III. REPORT FROM EXECUTIVE DIRECTOR

End of Year Financial Report

Executive Director Letizia Tagliafierro advised that the deadline to file financial disclosure forms is Friday, May 15th. JCOPE has updated the FDS form and instructions to reflect the changes that were enacted in the budget.

Director for Administration Steve Boland presented JCOPE’s end of year 2014-15 fiscal report. The Commission spent \$2,898,832 in personal service for the year, which represents 84.8% of the cash ceiling. For non-personal service, the Commission spent \$728,689, which represents 8% of the cash ceiling. Overall the Commission spent \$3,627,521, which represents 83.8% of the total cash allowance of \$4,331,000.

Update on New Ethics and Lobbying Provisions

Martin Levine, Director of Lobbying and Financial Disclosure Compliance, provided a brief overview of recently-enacted changes to the Public Officers Law and the Lobbying Act. The changes include: (1) the expansion of JCOPE's oversight over local lobbying by changing the definition of "municipality" to include smaller local jurisdictions and school districts; (2) a new prohibition for State officers and employees against representation of private clients in connection with a bill or resolution; and (3) enhanced disclosure of outside income in annual Financial Disclosure Statements, including more information about client services and fees. There were also changes to the election law and other areas outside of JCOPE's jurisdiction.

Commissioner Lavine asked whether economic development grants from municipalities are covered by the laws governing procurement lobbying. Director Levine advised that it would depend on a number of factors, including whether the grant is awarded through the legislative process or an agency. In addition, public monies or grants are covered by a separate section of the Lobbying Act.

Commissioner Weissman observed that JCOPE's responsibilities have been expanded and consideration must be given to the additional funds the Legislature and the Governor have provided for this purpose. Executive Director Tagliaferro reported that JCOPE has already been engaged in outreach regarding the expanded oversight of local lobbying, coordinating with the municipal associations, planning a webinar with the counties, in order to disseminate information so lobbyists are aware of and can comply with the Lobbying Act. JCOPE will also need to hire new filing specialists to handle the anticipated increase in registrations and filings from new entities that will now be covered under the Lobbying Act.

Commissioner Weissman asked whether the Division of Budget has provided JCOPE with a certificate with respect to the additional appropriation. Director Boland explained that the DOB is waiting for JCOPE to determine how it wants to allocate the \$1.2 million in new funds between personal service and non-personal service and to submit a cash spending plan. Chief of Staff and Deputy Counsel Monica Stamm advised that staff has been developing a proposed spending plan. Among other things, staff has been discussing whether some funds should be allocated for additional technology investments, such as data analytics tools that might assist in meeting JCOPE's mandates. In terms of personal service, as discussed by the Executive Director, there is an obvious need for more filing specialists, and additional staff is required in order to meet the new obligations with the new FDS disclosures and exemption process, as well as enforcement of the new provisions in both the ethics and lobbying laws.

Commissioner Weissman asked about a process by which the Division of Budget is actually signing off on the people JCOPE is hiring, and referenced a recent temporary hire that took several months. Commissioner Weissman further stated he is uncomfortable that Budget approves personnel for an agency with eight legislative appointees. Deputy Counsel Stamm explained that hiring goes through Budget similar to all of JCOPE's expenditures. Budget's role in JCOPE's hiring process is the same as it is with the Office of the State Comptroller, the Office of the Attorney General, and the Board of Elections, which is similarly situated to JCOPE. Deputy Counsel Stamm is not aware of any position that took several months to process.

Chair Horwitz stated, and staff confirmed, that the new law does not change anything with respect to the way JCOPE's funds are processed. What has changed is that the Governor saw fit, with the consent of the legislature, to substantially increase the amount of money that JCOPE has to do the vast scope of work with which it has been tasked, which is quite broader now than before the budget was enacted.

Commissioner Weissman stated that this subject was raised early on at JCOPE given that there is an open question whether JCOPE is an Executive Branch agency. Deputy Counsel Stamm explained that JCOPE is clearly housed in the Department of State which is within the Executive Branch. As such, JCOPE is treated in the same way that the other departments that are in the Executive Branch, but not the Executive Department, are treated. Budget's role is merely to confirm that JCOPE has sufficient funds, and does not exercise any discretion over whom JCOPE hires. Furthermore, there have been no delays in the hiring process, which typically takes less than two weeks.

Commissioner Weissman stated that he is concerned the process is duplicative because the Comptroller's system should satisfy this function and it could conceivably slow JCOPE down because at least one hire took longer than anticipated.

Chair Horwitz advised that JCOPE has sole discretion in hiring personnel. The process has generally worked well over the past 3½ years and there have been no delays in hiring. To the extent Commissioner Weissman continues to have concerns, he can discuss the nuances of the budget process with staff at his convenience. Chair Horwitz reiterated his appreciation that the Governor and Legislature have seen fit to substantially increase the amount of money JCOPE has to meet its very broad mandate.

IV. NEW AND OTHER BUSINESS

There was no new or other business discussed.

V. MOTION TO ENTER INTO EXECUTIVE SESSION PURSUANT TO EXECUTIVE LAW §94(19)(b)*

A motion was made by Commissioner Covello, which was seconded by Commissioner Romeo, to enter into Executive Session pursuant to Executive Law §94(19)(b). The motion was approved by unanimous vote.

VI. PUBLIC ANNOUNCEMENT OF ACTIONS FROM EXECUTIVE SESSION

Chair Horwitz announced that, during the Executive Session, the Commission approved an application for an exemption from the revolving door provision of Public Officers Law §73(8-b). The Commission also approved three settlement agreements, commenced one investigation, and closed two investigations.

VII. MOTION TO ADJOURN THE PUBLIC MEETING

A motion was made by Commissioner Covello, which was seconded by Commissioner Roth, to adjourn the Public Meeting. The motion was approved by unanimous vote.