

JUL 25 2018

STATE OF NEW YORK  
JOINT COMMISSION ON PUBLIC ETHICS

540 Broadway  
Albany, New York 12207

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IN THE MATTER OF ERICKSON JOSEPH,

Former Senior Auditor,  
New York State Insurance Fund.

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SUBSTANTIAL BASIS INVESTIGATION REPORT  
AND SETTLEMENT AGREEMENT

Case No. 18-087

WHEREAS, the Joint Commission on Public Ethics ("Commission") is authorized by Executive Law § 94 to conduct an investigation to determine whether a substantial basis exists to conclude that any violations of the Public Officers Law have occurred, to issue a report of its findings of fact and conclusions of law, and to impose penalties for any violation;

WHEREAS, Erickson Joseph ("Respondent"), was employed by the New York State Insurance Fund ("NYSIF") from 1994 until his retirement on April 30, 2018;

WHEREAS, on April 30, 2018, NYSIF conducted an investigation which resulted in the Respondent's early retirement and NYSIF referred this matter to the Commission for its consideration; and

WHEREAS, the Respondent has waived notification in writing of possible violations pursuant to Executive Law § 94(13)(a) and in lieu of appearing in an adjudicatory proceeding that could result in the assessment of a civil penalty against Respondent, the parties to this Agreement have agreed to resolve their dispute in a manner that avoids further administrative proceedings;

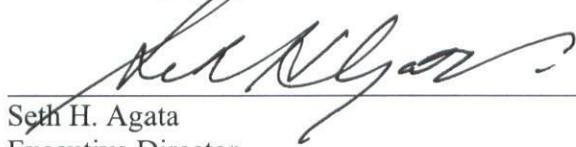
NOW, THEREFORE, in consideration of the mutual covenants made herein, as the final settlement of this matter, the parties stipulate and agree that:

1. Respondent admits that from approximately September 2017 through December 2017, while acting in the capacity of an Auditor for NYSIF, he solicited, on more than one occasion, a loan from a NYSIF policyholder that was subject to a NYSIF audit. Respondent first requested a \$2,500 loan and when the policyholder refused, Respondent then requested \$1,500 loan. The policyholder did not loan the Respondent any money.
2. Respondent admits that his conduct described in Paragraph 1 violated Public Officers Law § 74(3)(d) which provides that no state employee should use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself, herself, or others.
3. Respondent agrees to pay the Commission the amount of one thousand five-hundred dollars (\$1,500.00) in settlement of said violation within thirty (30) days of the execution of this Agreement.

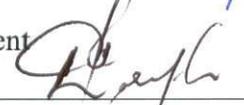
4. The Commission has agreed to the terms of this Agreement based on, among other things, the representations made to the Commission by Respondent. To the extent that representations made by Respondent are later found by the Commission to be incomplete or inaccurate, Respondent shall be in breach of this Agreement.
5. If the Respondent fails to timely perform any conditions set forth in the Agreement, Respondent shall be in breach of this Agreement.
6. Respondent agrees not to take any action or to make, permit to be made, authorize, or agree to any public statement denying, directly or indirectly, any finding in this Agreement or creating the impression that this Agreement is without factual basis. Nothing in this paragraph affects Respondent's: (a) testimonial obligations; or (b) right to take legal or factual positions in defense of litigation or other legal proceedings to which the Commission is not a party, including Respondent's claims for vested benefits and pensions. A violation of this Paragraph constitutes a breach of this Agreement by Respondent.
7. Upon a breach of this Agreement, the Commission shall have sole discretion to deem the Agreement null and void in its entirety, issue a Notice of Substantial Investigation and Hearing, which may include additional charges against Respondent and proceed with an enforcement action, and then issue a new Substantial Investigation Report; or to deem the Respondent in breach of this Agreement and pursue in court, any other remedy to which the Commission is entitled at law or in equity, including but not limited to, specific performance or injunction. As to any Notice of Substantial Investigation and Hearing or enforcement action by the Commission pursuant to this paragraph: (1) Respondent waives any claim that such action is time-barred by a statute of limitations or any other time-related defenses; and (2) Respondent expressly acknowledges and agrees that the Commission may use any statements herein, or any other statements, documents or materials produced or provided by Respondent prior to or after the date of this Agreement.
8. Respondent shall upon request by the Commission provide all documentation and information reasonably necessary for the Commission to verify compliance with this Agreement.
9. Respondent understands and acknowledges that the Commission may investigate any other conduct not covered by this Agreement by Respondent and take any appropriate action.
10. Respondent waives the right to assert any defenses or any challenges to this Agreement, as well as any right to appeal or challenge the determination or conduct of the Commission relating to this matter in any forum.
11. This Agreement and any dispute related thereto shall be governed by the laws of the State of New York without regard to any conflict of laws principles.
12. Respondent consents to the jurisdiction of the Commission in any proceeding to enforce this Agreement.

13. It is understood that this Agreement is not confidential and will be made public within 45 days of its execution in accordance with Executive Law §§ 94(14) & (19).
14. This Agreement constitutes the entire agreement between the parties and supersedes any prior communication, understanding, or agreement, whether oral or written, concerning the subject matter of this Agreement. No representation, inducement, promise, understanding, condition, or warranty not set forth in this Agreement has been relied upon by any party to this Agreement.
15. Any amendment or modification to this Agreement shall be in writing and signed by both parties.
16. This Agreement shall become effective upon execution by the Commission or its designee.
17. In the event that one or more provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement.
18. By signing below, Respondent acknowledges reading this Agreement in its entirety, understanding all terms and conditions of this Agreement, and having done so, knowingly, voluntarily, and freely enters into this Agreement.

Dated: ~~June~~ July 25, 2018

  
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Seth H. Agata  
Executive Director  
New York State Joint Commission on Public Ethics

ACCEPTED AND AGREED TO  
THIS 23 DAY OF July, 2018

Respondent  
By:   
\_\_\_\_\_  
Name: ERICKSON JOSEPH

Approved:

Michael K. Rozen  
Chair

James E. Dering  
Marvin E. Jacob  
Seymour Knox, IV  
Gary J. Lavine  
J. Gerard McAuliffe, Jr.  
David McNamara  
Barry C. Sample  
Dawn L. Smalls  
George H. Weissman  
James A. Yates  
Members

Robert Cohen  
Absent