

**MINUTES OF THE PUBLIC SESSION OF THE
APRIL 24, 2018
COMMISSION MEETING
OF THE JOINT COMMISSION ON PUBLIC ETHICS
HELD AT
540 BROADWAY
ALBANY, NEW YORK**

Chair: Michael K. Rozen (NYC)

Members: Robert Cohen (NYC)
James E. Dering (ALB)
Marvin Jacob (NYC)
Seymour Knox, IV (ALB)
Gary J. Lavine (ALB)
David J. McNamara (WebEx)
Barry C. Sample (ALB)
Dawn L. Smalls (NYC)
George H. Weissman (ALB)
James A. Yates (ALB)

Members

Absent: J. Gerard McAuliffe, Jr.

Staff: Seth H. Agata, Executive Director
Monica J. Stamm, General Counsel
Martin L. Levine, Deputy General Counsel
Stephen J. Boland, Director of Administration
Walter J. McClure, Director of Communications and Public Information Officer
Pei Pei Cheng-de-Castro, Director of Investigations and Enforcement
Emily A. Logue, Deputy Director of Investigations and Enforcement
Stephanie Blattmachr, Deputy Director of FDS
Michael Sande, Deputy Director of Ethics Guidance
Meghann Hennigan-Cohen, Deputy Director of Education
Carol Quinn, Deputy Director of Lobbying
Erin Lynch, Associate Counsel
Patrick E. Coultry, Chief Investigator
Peter J. Smith, Investigator
Richard Coraggio, Investigator
Lori Donadio, Principal Investigative Analyst
Katherine Santandrea, Secretary to the Commission

I. CALL TO ORDER

Chair Rozen called the April 24, 2018 meeting to order.

II. APPROVAL OF MINUTES – PUBLIC SESSION

March 27, 2018

A motion was made by Commissioner Weissman, seconded by Commissioner Knox, to approve the minutes from the Public Session of the March 27, 2018 Commission Meeting.

The motion was approved by unanimous vote.

III. REPORT FROM STAFF

Outreach Update

Executive Director Seth Agata provided an update on a forum hosted for agency ethics officers on April 19 regarding the new JCOPE website. He added that staff have received many compliments about the new website. He announced that the 2017 Annual Report had been released the week before, as well as a reminder that Financial Disclosure Statements for non-academic filers are due May 15. He noted he will be speaking on FDS matters at a New York State Bar Association Local and State Government Law Section panel at the end of the week.

Redesign of FDS Form

Executive Director Agata stated that staff have received comments from Commissioners and others regarding the complexity of the FDS forms. He stated that the language of the form is set in statute, so changes are not made easily; nevertheless, staff have reached out to the Legislative Ethics Commission, who expressed interest in discussing a proposal for potential changes to be introduced for the 2019 legislative session.

Financial Report

Director of Administration Stephen Boland gave a report on the end of the 2017-18 fiscal year.

Director Boland stated that in the 4th quarter, JCOPE spent just over \$972,000 in personal service, for a year-to-date total of \$4,385,000, which was 95% of the agency's cash allowance. For non-personal service in the 4th quarter, JCOPE spent just over \$212,000, for a year-to-date balance of just over \$728,000, which equates to 80% of the agency's cash allowance. For the 4th quarter, the total spent on personal service and non-personal service was \$1,185,000, for a year-to-date total of \$5,114,000, or 92.5% of the budget. Director Boland stated that the 2018-19 fiscal year appropriation and cash allowance will be the same as the previous year.

IV. REGULATIONS

Proposed Comprehensive Lobbying Regulations

Executive Director Agata announced that after two years of dialogue, comments, and hearings, staff are respectfully asking the Commission to entertain a motion to formally adopt the regulations. He suggested an effective date of January 1, 2019, which will give the regulated community time to prepare, and will coincide with a new bi-annual registration period for clients and lobbyists and the rollout of the new online lobbying filing application.

Chair Rozen asked if any of the Commissioners wished to be heard on the subject. Commissioner Jacob inquired if the Commission should anticipate any legal challenges to the regulations moving forward. Executive Director Agata replied that he does not anticipate any well-reasoned or well-founded legal opposition to the promulgation of the regulations either as a matter of process or substance.

A motion was made by Commissioner Jacob, seconded by Commissioner Cohen, to adopt the proposed comprehensive lobbying regulations. The motion was approved by unanimous vote.

Proposed Amended Source of Funding Regulations

Executive Director Agata presented the proposed amended source of funding regulations. They have gone through the SAPA and public comment process, and staff are asking for a motion to formally adopt the regulations.

Chair Rozen asked for any comments from the Commissioners. Commissioner Jacob inquired if the Commission should anticipate any legal challenges moving forward. Executive Director Agata stated that he did not believe that there are any well-founded legal objections to the promulgation of the regulations or their content.

A motion was made by Commissioner Jacob, seconded by Commissioner Cohen, to adopt the proposed comprehensive lobbying regulations. The motion was approved by unanimous vote.

Statement from Chair Rozen:

Today's vote by the Joint Commission on Public Ethics to adopt New York State's first comprehensive lobbying regulations marks an important step in the Commission's efforts to ensure public transparency regarding who spends money to influence government, and where and how lobbyists and their clients spend that money.

To that end, there are three important take-aways from the lobbying regulations, each of which sheds light on the influence of money in government decision-making:

- First, the "true" clients, the real parties seeking to influence government, must be identified and follow the source of funding reporting rules;
- Second, the public will see broader and more specific information on lobbying activities, as well as the targets of lobbyists and their clients; and,
- Third, the public will see when and how grassroots lobbying, including paid lobbying through social media, occurs and who is paying for it.

I want to thank JCOPE's thoughtful staff for their hard work on these regulations, as well as the regulated community and the public

for their input. I would also like to thank my fellow Commissioners for their continued engagement and support in seeing that the Commission serves the public to the best of its ability.

V. NEW AND OTHER BUSINESS

Meeting Schedule – July through December 2018

Executive Director Agata presented the schedule for the second half of 2018.

VI. MOTION TO ENTER INTO EXECUTIVE SESSION PURSUANT TO EXECUTIVE LAW § 94(19)(B)

A motion was made by Commissioner Jacob, seconded by Commissioner Smalls, to enter into Executive Session Pursuant to Executive Law § 94(19)(b). The motion was approved by unanimous vote.

VII. PUBLIC ANNOUNCEMENT OF ACTIONS FROM EXECUTIVE SESSION

Chair Rozen summarized that in Executive Session, the Commission approved a settlement agreement, opened two Substantial Basis Investigations, and authorized steps in several investigative matters.

VIII. MOTION TO ADJOURN THE PUBLIC MEETING

Upon motion made by Commissioner Jacob, seconded by Commissioner Yates, the Public Session was adjourned by unanimous vote.