

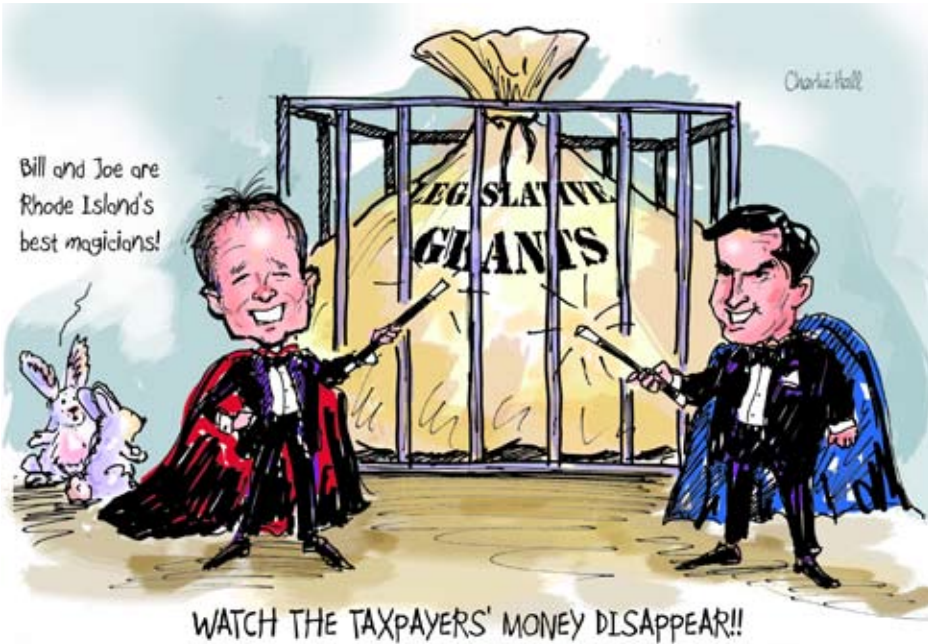
Citizen Alert

A report on the state of Rhode Island government

March/April 2008

Volume 16, Number 1

Secrecy clouds \$20 million grant process



Are "leaders" using grant power to control legislators?

BY BEVERLY CLAY

In spite of efforts to change it, secrecy still clouds the Legislative and Community Service grant processes in the General Assembly. Unexplained commitments for doling out \$20,000,000 become more egregious in the midst of the current budget crisis. While expanded use of electronic media has finally made these grant sums available on the state's web site, this is only one small step in making the process open and responsive to the public.

Meanwhile, the grant selection and review processes remain hidden. Those who allocate tax dollars through these grants are not accountable for their decisions and they do not require the beneficiaries to account for the use of the taxpayers' money.

Legislative Grants \$2,000,000

More than 750 individual Legislative Grants totaling close to \$2,000,000 are scheduled for 2008. They allegedly come from the JCLS – Joint Committee on Legislative Services. To try to understand the process, OCG requested and received public access to examine these grants and some of the documentation pertaining to these grants.

The documents prove that the JCLS does not meet and discuss these grants, and that

there are no meaningful criteria that govern grant selection.

Based on the lack of openness and duly promulgated standards it appears that beneficiaries of these grants are chosen by House Speaker William Murphy and Senate President Joseph Montalbano based on requests by a sponsoring senator or representative, with added consideration based on the sponsor's relationship with the leadership.

This process amplifies leadership control of our elected representatives and senators – subverting the idea of "representation."

In ironic contrast to the behind-the-drapery grant selection and review process is the publicity swagger generated by representatives and senators announcing grants in their districts. The elected officials appear in local newspapers presenting checks to local groups to demonstrate their influence on the hill, enhancing their chances for reelection and continued support of leadership.

Community Service Grants \$18,000,000

Even more secretive is the process for awarding \$18,000,000 in Community Service Grants. These grants range from \$760 to more than \$1,000,000. Hidden in the state budget, these grants are passed through state see **\$20 million, page 4**

Candidates, Potential Candidates, Campaign Volunteers and Staff

Sign up for the

Operation Clean Government Candidate School 2008

(4th Biennial Event)
April 12, 2008

Quonset 'O' Club

220 Lt. James Brown Road; North Kingstown

Registration: 7:30AM Program: 8:00AM – 5:00PM

Registration Fee: \$95 (includes continental breakfast and lunch)

Everything you need to know!

Learn from the best!

Learn from those who have been there!

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You will learn about Financial Issues, Education Issues, Effective Leadership and the value of Special Interests

Faculty Members listed on page 3

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Send check for \$95 payable to "Operation Clean Government" with a contact telephone number to:

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Or sign up online: www.ocgri.org

For Further Information Call 861-3900 or e-mail info@ocgri.org

Additional donations are appreciated

Operation Clean Government presents 2nd Annual Corruption Forum

The General Assembly: Private Deal\$ and Public Corruption

Saturday morning – May 10th – See page 3 for Details and Reservations

Moderator

Dave Layman – Former award-winning Providence news anchor and political commentator

Panel

U. S. Attorney Robert C. Corrente – The ongoing "Operation Dollar Bill" investigation has uncovered payoffs to key figures in the Rhode Island General Assembly and sent some of them to prison

Edward Achorn – The Providence Journal's Deputy Editorial Page Editor and frequent critic of the state legislature

Arthur "Chuck" Barton – President of Operation Clean Government

Ross Cheit, JD, PhD – Associate Professor of Political Science at Brown University and a member of the Rhode Island Ethics Commission

Kenneth Payne – Former Senior Policy Advisor to the Rhode Island State Senate and a former Director of the League of Cities and Towns

Bill Rappleye – Long-time legislative and political reporter for NBC10 News

Arlene Violet – Veteran radio talk show host, political columnist, TV commentator and a former R.I. Attorney General

President's Corner...

Spring is the time of hope and renewal, and while the last few months have brought some rough patches, Operation Clean Government looks forward to the year ahead with enthusiasm.

OCG's Candidate School, always a great event, will be held in April. Marie Sorman



Arthur "Chuck" Barton

with her usual high energy and new ideas has done a wonderful job of organizing the school, which encourages average citizens to run for office. Our Candidate School is one vehicle to enhance our state, our cities and towns by giving voters a choice.

In May we will conduct our second annual Corruption Forum at the Quonset 'O' Club.

We have seven panelists with a range of perspectives and backgrounds that will address the topic "The General Assembly – Private Deal\$ and Public Corruption." The Corruption Forum last spring was sold out and people are still talking about the panelists and their interesting information and perspectives.

Last fall, OCG sent letters to all the government leaders who appoint members to the Ethics Commission, expressing concern that many commissioners are serving beyond the expiration of their terms, and there is one vacancy. While there was no initial response, Governor Carcieri told OCG at its annual meeting in November that he was close to making

his appointments. He followed through by appointing two new members who appear to be excellent choices. One, attorney Bill Harsch, was on a list of recommendations that OCG sent to the Governor.

Sometimes disappointments have the proverbial silver lining. Our ethics complaint against Senator Frank Ciccone was whittled down to a violation of a failure to disclose sources of income on his annual financial statements. The prosecutor for the Ethics Commission agreed that Senator Ciccone did have a conflict of interest in voting for legislation that directly benefited his employer – the Laborers Union.

However, because the legislation also benefited other unions, his conflict was considered acceptable because of a so-called "class exemption." OCG hopes that the Ethics Commission will narrow or eliminate the "class exemption," which encourages such egregious behavior as senators voting to use taxpayer dollars to subsidize their employers.

Even in narrowing the complaints against Senate President Montalbano and Senator Ciccone, the Ethics Commission has used failure to report sources of income to send a message regarding unethical behavior. Senate President Montalbano paid \$12,000, the third highest fine in Commission history for not reporting income from West Warwick.

Representative Ray Gallison received a \$6,000 fine as a result of an investigation initiated by the Ethics Commission when it became clear that his financial disclosure forms were missing key sources of income. Senator Ciccone is subject to a fine for failing to report that he is paid by the Laborers Union.

The message from the Commission is that they now take the Financial Disclosure forms seriously – as they should – and expect officials to complete them thoroughly and accurately since the forms are signed under penalty of perjury.

You will see and hear more from OCG on a number of fronts in the months ahead. We know there is more to be done and with spring in the air there is also everlasting hope for securing honest, effective state government.

Rhode Island Ethics Commission "The Good News & The Bad News"

BY SANDRA THOMPSON

First the Good News... Governor Carcieri makes two appointments to the R.I. Ethics Commission

On February 3, Governor Donald Carcieri named two new commissioners to the Rhode Island Ethics Commission, Sister Deborah Cerullo and J. William W. Harsch.

Sister Cerullo who replaces George Weavill, Jr. is a 1976 graduate of URI who received her J.D. degree from Boston University. She served as assistant district attorney in Middlesex County, Mass. and in Nassau County N.Y. where she also acted as a consumer-fraud investigator. She currently has a law practice in Providence. Her term expires September 2011.

Mr. Harsch graduated from Williams College and earned his J.D. at Harvard Law School in 1964. He has a long time career in R.I. government serving as director of the R.I. Dept. of Environmental Management and chairman of the R.I. Public Utilities Commission in the 1970's. He went on to serve in the federal government in the Carter administration. A Providence lawyer at present, Harsch replaces James C. Segovis. His term expires September 2012.

On making these appointments, Carcieri explained, "In seeking individuals to serve on this critical board, I sought independent thinkers who held promise to be proactive, staunch defenders of the public's interest in ethical government." He went on to say, "The Ethics Commission is at an important crossroads in meeting its constitutional mission, and as a matter of moving forward I put a premium on strong personal integrity in choosing these appointees."

And now for the Bad News... Senate President Montalbano fails to fill vacant seat on the R.I. Ethics Commission

Almost one year ago Operation Clean Government sent letters to five elected officials who have appointment authority for the Ethics Commission and who have been delinquent in making appointments. Letters went to Governor Carcieri who has four appointments and to House Speaker William Murphy, House Majority Leader Gordon Fox, House Minority Leader Robert Watson and Senate President Joseph Montalbano who each have one appointment. Legislative leaders are required to submit a list of five names to the Governor from which he is to select one for the commission.

In the letters, OCG expressed concern over the failure to make timely appointments. Senator Algieri is the only official who does not have an expired appointment on the commission. Commissioners are appointed for a five year term and can only be reappointed if they filled an unexpired term. Terms are staggered so that the Commission does not experience a complete turnover which could overwhelm the process.

Senate President Montalbano has neglected to fill the one vacancy on the commission since Commissioner Patricia Moran resigned in August 2006. Why has the Senate President failed to do the people's business as set forth by state law? In addition to the letter,

OCG has made many attempts by telephone to secure an answer to this question from the Senator. Finally, a response on March 4th.

The Senator informed me that he is well aware of the vacant seat. However, he was not about to make the appointment as long as there was an ethics complaint (filed by OCG) pending against him which could have the appearance he was influencing the outcome of the ethics complaint. That is a reasonable excuse.

However the complaint against him was not the only business before the commission, and certainly whomever he appointed would be able to recuse on taking part in his case, but would be available to fulfill the position in other matters not involving the Senator.

Montalbano settled the ethics complaint, paying a fine of \$12,000 on September 11, 2007. He is just now beginning to hold interviews of possible nominees, with the hope that he will be ready in about two months to submit five names.

Because of the vacancy, there are now only eight members on the commission, four of them with expired terms. RIEC rules require five commissioners present to form a quorum. In addition, to resolve cases and to act on advisory opinions, there must be a minimum of five votes in favor.

Is it fair to those who diligently come before the commission seeking to do the right thing with regard to conflicts of interest, when their cases or opinions cannot be determined because of the lack of a quorum or a necessary number of votes?

RI citizens voted to create Ethics Commission in 1986

In 1986, Rhode Island voters were concerned enough about the unethical behavior of elected and appointed state and municipal officials that they amended the state constitution to create an Ethics Commission to ensure that public officials and employees "adhere to the highest standards of ethical conduct, respect the public trust and the rights of all persons, be open, accountable and responsive, avoid the appearance of impropriety and not use their position for private gain or advantage."

But a mechanism was needed to enforce ethical conduct. So the constitution was amended by the people to provide that all Rhode Island public officials and employees are subject to a Code of Ethics adopted and enforced by the Ethics Commission.

Unfortunately, the constitutional amendment does not provide a mechanism for appointing commissioners when those who are charged with that responsibility fail to fulfill it. Montalbano's fellow senators who elected him to his position of leadership have not seen fit to hold him accountable for his responsibility to the state ethics commission. Only the voters can fire an elected official who does not do the people's business.

OCG will continue to monitor the status of RIEC appointments. We will see if the Senate President keeps his promise to make his commission appointment within two months. If there was ever a state that needs a strong and effective ethics commission, it is Rhode Island. It must not be undermined by arrogant public officials.

Good news on two counts for viewers of OCG's cable TV program "State of the State"

OCG has added Full Channel and Verizon to its broadcasting schedule of State of the State cable programs. Each program begins to air on a Saturday and runs for 2 weeks. See our 'clip and save' broadcast schedule below. These are one hour time slots that will run the current 30 minute program followed by a previously taped program.

State of the State is now being streamed onto the OCG web site at www.ocgri.org. You can now view the program currently being aired on Cox, Verizon and Full Channel along with one or two previously aired programs.

We would appreciate your feedback and comments.

	Sat 11:00 PM	Sun 8:00 AM	Thurs 9:00 PM	Fri 3:00 PM	Fri 3:30 PM
Cox Cable	13	13	18*	18*	-----
Full Channel	9	9	9	-----	9
Verizon	32	32	31	31	-----

* Channel 18 in the Providence - Warwick area only

Hebb Foundation funds OCG education programs and research

“The Hebb Foundation for Governmental Research and Education” is a non-profit 501 C(3) arm of Operation Clean Government to fund research and educational activities to inform and involve the citizenry in the workings of our government.

Two major events are happening this spring that could benefit from funds from the Hebb Foundation.

- OCG’s fourth biennial non-partisan Candidates School on April 12. In previous years, up to 165 individuals interested in running for office or helping in a campaign have attended this event.
- OCG’s second annual forum on corruption on May 10. Last year was a sell out crowd of 240. This year’s forum is titled “General Assembly – Private Deal\$ and Public Corruption.” The Hebb Foundation is seeking funds (\$13,000) for a professional taping of the forum that can be shown on Channel 36 and possibly other TV channels and that can be distributed to high schools and colleges.

Tax Deductible Donations can be sent to:

The Hebb Foundation, PO Box 8283, Warwick, RI 02888

For Further Information Call 861-3900 or e-mail info@ocgri.org:

**Please specify the purpose of the donation:
the “Candidate School,” the “Corruption Forum”
or a “general donation.”**

Make check payable to “The Hebb Foundation.”



New members of the OCG Board

Seated from l. to r. first row: Rich Lavalley, Robert “Al” Benson, Robert Kieronski. 2nd row: Dan Marso, Julia Cole, Robert Haiken.

Forum, from page 1

Following a critically acclaimed, standing-room only forum last year on Rhode Island corruption, OCG is presenting its second annual corruption forum, this year focusing on the General Assembly. The lively discussion will include:

- A review of legislative corruption and high profile violators.
- Is our Legislature worse than those in other states?
- How corruption affects you.
- Causes of corruption at the Legislature.
- How effective are the existing tools to battle legislative corruption?
- What else needs to be done to reduce legislative corruption?

The forum will feature a dynamic “Q&A” session between the audience and the panelists.

If you want Rhode Island to clean up its act, you, your family and friends will not want to miss this one-of-its-kind forum:

Saturday, May 10th 8:30 -11:30 AM breakfast included

Quonset ‘O’ Club

200 Lt. James Brown Rd., North Kingstown, RI

Reserve by May 3rd

Send check for \$22 per ticket payable to “Operation Clean Government” with a contact telephone number to:
OCG Breakfast Forum, PO Box 8683, Warwick, RI 02888

Or sign up online: www.ocgri.org

For Further Information Call 861-3900 or e-mail info@ocgri.org

Additional donations are appreciated

“Class exception” allows conflicts of interest

BY ROBERT “AL” BENSON

On the OCG web site there is a press release titled “Senator Ciccone’s Conflict of Interest Vote acceptable because of the Class Exception.” The press release goes on to state although Senator Ciccone introduced and voted for legislation that benefits his employer, the Rhode Island Laborers’ District Council --part of the Laborers’ International Union of North America -- these actions were not a conflict of interest due to the class exception provision in the Rhode Island Code of Ethics.

The class exception clause is part (b) of R.I. General Law 36-14-7 and reads:

(b) A person subject to this Code of Ethics does not have an interest which is in substantial conflict with the proper discharge of his or her duties in the public interest and of his or her responsibilities as prescribed by the laws of this state, if any benefit or detriment accrues to him or her or any person within his or her family or any business associate, or any business by which the person is employed or which the person represents, as a member of a business, profession, occupation or group, or of any significant and definable class of persons within the business, profession, occupation or group, to no greater extent than any other similarly situated member of the business, profession, occupation or group, or of the significant and definable class of persons within the business, profession, occupation or group.

This class exception clause essentially says there is no conflict in being a member of the Rhode Island General Assembly as well as a union employee and sponsoring and/or voting for legislation that impacts your particular union as long as this legislation impacts all other unions to the same degree. This class exception clause in the Code of Ethics is why public employee unions have been so successful in getting legislation passed in the General Assembly.

The Ethics Commission has been discussing this regulation since January 2007 and plans another workshop sometime in April to strengthen the language on “class exception” or possibly eliminate it. The Ethics Commission would then hold a public hearing before voting on a new regulation to restrict not only employees of businesses, but also members of any business, profession, occupation or group.

If the Ethics Commission strengthens or eliminates this definition of the class exception in the Code of Ethics, it will discourage special interest legislation and spending. It will make Rhode Island government more representative of the general public. This is the way our government should operate, for the laws enacted by the General Assembly do not just impact one subset of the general public or another, but these laws apply to all citizens of the state. Any law passed by the General Assembly should represent the interests of the general public and not the interests of one favored group or another.

Candidate School 2008 Faculty Members

The Honorable Donald L. Carcieri, Governor

The Honorable Robert A. Weygand, Former United States Congressman

The Honorable A. Ralph Mollis, Secretary of State

The Honorable Carol Mumford, State Representative, District 41 (Cranston, Scituate)

The Honorable Scott Avedisian, Mayor of Warwick

The Honorable Arlene Violet, Former Attorney General

The Honorable Jean Ann Guliano, member, East Greenwich School Committee

The Honorable Dr. Mark Schwager, East Greenwich Councilor

The Honorable Michael Traficante, Cranston School Committee Chair

The Honorable Fausto Anguilla, former State Representative

Arthur C. “Chuck” Barton, President, Operation Clean Government

Michael Guilfoyle, former Communications Director for

Congressmen Langevin & Weygand

Betty Jo Cugini, News Director, WJAR-TV

J. William Harsch, Rhode Island Ethics Commission member,

former Attorney General candidate

Harry Staley, President, Rhode Island Statewide Coalition

Dan Beardsley, Executive Director, League of Cities & Towns

Justice Robert Flanders, Chairman of the Rhode Island Board of Regents for Elementary and Secondary Education

Valerie Forti, President, The Education Partnership

David Carlin, VP-Government Affairs, Northern Rhode Island Chamber of Commerce

John Howell, Beacon Communications-Warwick Beacon, Cranston Herald

Dan Yorke, WPRO Radio Afternoon Talk Show Host

Ed Quinlan, President, Hospital Association of Rhode Island

Gary Sasse, Director, Rhode Island Department of Revenue, formerly of Rhode Island Public Expenditure Council

Michael O’Keefe, Rhode Island House of Representatives, Fiscal Advisor

Bob Walsh, Executive Director, National Education Association

Marshall Votta, Office of Congressman Langevin

And others!!!!!!!

