



# STATE OF CONNECTICUT

## STATE ETHICS COMMISSION

March 30, 2001

### PRESS RELEASE

On March 22, 2001, Ethics Commission Principal Attorney Brenda M. Bergeron filed a Complaint against ESPN, Inc. ("ESPN"), alleging a number of violations of the Code of Ethics for Lobbyists, Conn. Gen. Stat. §1-91 et seq., in connection with an event hosted by ESPN in Philadelphia on July 30, 2000 at which twenty-two Connecticut public officials, members of their staff or immediate families and/or state employees were in attendance. The Complaint alleges violations of the gift ban by exceeding the \$50 annual meal limit, failure to itemize and report the expenditures for the benefit of public officials, and failure to provide required notification to the attendees of the cost and reportability of the event.

It is important to note that the individual public officials who attended the event were not notified of the actual cost of the event as required by law. The invitation to the event stated that "for state reporting purposes, the per person value is \$50.00," yet the actual per person cost exceeded \$97.00.

The Ethics Commission and the Respondent have settled this matter by entering into a Stipulation and Order which requires ESPN to pay a civil penalty of \$30,000.

Copies of the Complaint and Stipulation and Order are attached.

### FOR MORE INFORMATION CALL:

Alan S. Plofsky  
Executive Director and General Counsel  
Or  
Brenda M. Bergeron  
Principal Attorney

566-4472



# STATE OF CONNECTICUT

## STATE ETHICS COMMISSION

DOCKET NUMBER 2001-03 ) STATE ETHICS COMMISSION  
 IN THE MATTER OF A ) 20 TRINITY STREET  
 COMPLAINT AGAINST ) HARTFORD, CT 06106  
 ESPN, INC. ) MARCH 28, 2001

### STIPULATION AND ORDER

1. The Commission finds that the Respondent ESPN, Inc. violated the Code of Ethics for Lobbyists, Conn. Gen. Stat. §1-91 et seq., as alleged in the attached Complaint, dated March 22, 2001.

2. The Respondent acknowledges that it violated the Code as alleged, but states that the violation was not intentional. The Respondent also wishes to emphasize that the event at issue was a widely-attended buffet luncheon primarily focused on the federal level at which only a small minority of attendees were Connecticut officials.

3. The Respondent waives any rights it may have under Conn. Gen. Stat. §§1-93, 1-93a, 1-98 and 1-80, including the right to a hearing or appeal in this case, and agrees with the Commission to an informal disposition of this matter as authorized by Conn. Gen. Stat. §4-177(c).

NOW THEREFORE, pursuant to Conn. Gen. Stat. §4-177(c), the State Ethics Commission and the Respondent ESPN, Inc. agree to settle this matter in the manner described below:

1. The Ethics Commission orders, and the Respondent agrees to pay to the Commission, a civil penalty of \$30,000.00 within thirty days, and henceforth to commit no further violations of the Code of Ethics for Lobbyists.

2. The Ethics Commission orders, and the Respondent agrees to submit to the Commission with the signing of this Stipulation and Order, an accurate amended financial report for the 3-4th Quarter of 2000.



Respondent ESPN, Inc.

By *Eric L. Kemmer*  
*Vice President*

3/30/2001  
 Date

  
\_\_\_\_\_  
Rosemary Giuliano, Chairperson  
State Ethics Commission

  
\_\_\_\_\_  
Date



# STATE OF CONNECTICUT

## STATE ETHICS COMMISSION

### CONFIDENTIAL

DOCKET NUMBER 2001-03

STATE ETHICS COMMISSION

IN THE MATTER OF A

20 TRINITY STREET

COMPLAINT AGAINST

HARTFORD, CT 06106

ESPN, INC.

MARCH 22, 2001

### COMPLAINT

#### COUNT ONE

1. At all times relevant to this Complaint, ESPN, Inc. ("Respondent") was a client lobbyist registrant as those terms are defined in Conn. Gen. Stat. §§1-91(q) and (u).
2. Under Conn. Gen. Stat. §1-96, a client registrant is required to file periodic financial reports, signed under penalty of false statement.
3. Under Conn. Gen. Stat. §1-96(e), the financial reports must include an itemized statement of each expenditure of ten dollars or more per person per occasion made by the reporting registrant for the benefit of a public official, a member of his or her staff and/or member of his or her immediate family, itemized by date, beneficiary, amount, and circumstances of transaction. Pursuant to §1-96 and Regulations of Connecticut State Agencies §1-92-48(b), said itemized statement is required whether the expenditures are in furtherance of lobbying or unrelated to lobbying.
4. On July 31, 2000, the Respondent hosted a luncheon honoring the Connecticut Republican Delegation to the National Convention at a restaurant in Philadelphia, Pennsylvania. Twenty-two state employees, public officials and/or members of a public official's staff or immediate family attended the luncheon.
5. Although the cost per person for the luncheon exceeded ten dollars, the Respondent failed to itemize any of the expenditures on its financial report.
6. Each and every failure to itemize is a separate violation of Conn. Gen. Stat. §1-96(e).

COUNT TWO


1. Paragraph 1 of Count One is hereby incorporated as Paragraph 1 of Count Two.
2. Under Conn. Gen. Stat. §1-97(a), the Respondent can not give to any state employee, public official, or member of his or her staff or immediate family food and drink worth fifty dollars or more in the aggregate in any calendar year, unless the gift falls under one of the exceptions to the gift law, Conn. Gen. Stat. §1-91(g)(1)-(16).
3. On July 31, 2000, the Respondent hosted a luncheon honoring the Connecticut Delegation to the National Convention at a restaurant in Philadelphia, Pennsylvania. Twenty-two state employees, public officials and/or members of a public official's staff or immediate family attended the luncheon.
4. The per person cost of the July 31, 2000 luncheon paid for by the Respondent was \$97.56, well in excess of the fifty dollar annual limit allowed by law.
5. Two individuals attended the event in their official capacities and therefore, for them, the luncheon was an allowable necessary expense. With regard to each of the remaining twenty reportable participants, the Respondent's provision of food and drink in excess of the fifty dollar limit violated Conn. Gen. Stat. §1-97(a).

COUNT THREE

- 1-2. Paragraphs One and Two of Count One are hereby incorporated as Paragraphs One and Two of Count Three.
3. Under Conn. Gen. Stat. §§1-96(a) and (e), the financial reports must contain a statement of all expenditures made for lobbying and in furtherance of lobbying during the time period covered by the report, including, pursuant to Regulations of Connecticut State Agencies §1-92-49(a)(4), an aggregate statement of all expenditures for entertainment (e.g., food and drink) whenever the aggregate exceeds fifty dollars in a calendar year.
4. Although the Respondent provided food and drink to twenty-two public officials, staff members and/or immediate family members and state employees at an event held in Philadelphia, Pennsylvania, and that expenditure was in furtherance of lobbying, the Respondent failed to report the cost of such event.
5. The failure to file a financial report for the 3-4th quarter of 2000 which accurately reflected this expenditure constitutes a violation of Conn. Gen. Stat. §1-96.

COUNT FOUR

1. Paragraph One of Count One is hereby incorporated as Paragraph One of Count Four.
2. Under Conn. Gen. Stat. §1-97(d), a registrant who is required to itemize an expenditure for the benefit of a public official, state employee or member of any such person's staff or immediate family must, not later than ten days after the event, give each recipient "a written report stating the name of the donor, a description of the item or items given, the value of such items and the cumulative value of all items given to such recipient during the calendar year."
3. The Respondent failed to provide the notification required by Conn. Gen. Stat. §1-97(d) to each of the twenty-two attendees referred to in Paragraph Four of Count One.
4. Each and every failure to provide notification constitutes a violation of Conn. Gen. Stat. §1-97(d).

  
Brenda M. Bergeron  
Commission Attorney

3-22-01  
Dated