

**MINUTES OF THE MEETING OF  
THE INDIANA STATE ETHICS COMMISSION  
October 10, 2024**

**I. Call to Order**

A regular meeting of the State Ethics Commission (Commission) was called to order at 10:00 a.m. Commission members present were Katherine Noel, Chair; John Krauss; Sue Anne Gilroy; and Rafael Sanchez. Office of Inspector General (OIG) staff present included David Cook, Inspector General; Tiffany Mulligan, Chief of Staff, Chief Legal Counsel; Regan Perrodin, State Ethics Commission Director; Mark Mitchell, Director of Investigations; Elaine Vullmahn, Staff Attorney; Mike Lepper, Special Agent; Sam Stearley, Special Agent; Mark Day, Special Agent; and Nathan Baker, Legal Assistant.

Others present were David Holt, CFO/Chief of Staff, Indiana Destination Development Corporation; Gary L. Haynes, Chief of Staff & Ethics Officer, Indiana State Board of Animal Health; Gillian Oliver, Dairy Plant Specialist; Mattheus Mitchel, Compliance and Ethics Specialist, Indiana Department of Revenue; Josh Brandle, Paralegal, Indiana Department of Revenue; Sean Evans, Legal Analyst, Indiana Department of Revenue; Matthew Gerber, Deputy General Counsel, Family and Social Services Administration; and Tammera Glickman, Deputy General Counsel, Indiana Department of Administration.

**II. Adoption of Agenda and Approval of Minutes**

Commissioner Krauss moved to adopt the agenda. Commissioner Gilroy seconded the motion, and the Commission passed the agenda (4-0).

Commissioner Gilroy moved to approve the Minutes of the September 12, 2024, Commission Meeting, and Commissioner Krauss seconded the motion, which passed (4-0).

**III. Consideration of Waiver of Post-Employment Restrictions for Gillian Oliver**

Gary L. Haynes, Chief of Staff and Ethics Officer for the Indiana State Board of Animal Health, presented the proposed Waiver of Post-Employment Restrictions in this matter to the Commission for their approval.

Commissioner Krauss moved to approve the Waiver, and Commissioner Sanchez seconded the motion, which passed (4-0).

#### **IV. Request for Formal Advisory Opinion**

2023-FAO-006

David Holt, Chief Operating Officer and Chief of Staff

Indiana Destination Development Corporation

David Holt currently serves at the Chief Operating Officer and Chief of Staff for the Indiana Destination Development Corporation (IDDC). Mr. Holt is requesting the Commission's FAO regarding his proposed outside employment opportunity.

IDDC is the marketing arm of the State and helps promote destination assets around the State (sports facilities/teams, music venues, museums, casinos, resorts, amusement parks, zoos, breweries/distilleries/wineries, etc.). IDDC promotes these venues to drive people to visit Indiana. In Mr. Holt's role, he meets with these venues and discusses how IDDC can help them promote themselves to attract out-of-state visitors. IDDC often offers two methods of assistance to these venues: (1) IDDC's calendar of events and (2) IDDC's ticket giveaways. Mr. Holt states that his interaction with these vendors is limited. He first reaches out to them to schedule a meeting. He then goes to their facility for a meeting and later follows up via email connecting them with IDDC's VP of Tourism, Marketing and Communications. This VP helps guide the vendors in their use of IDDC's services. Mr. Holt hands over all interaction to the marketing team and has no further contact with the vendors unless they reach out to him to find out who to talk to at IDDC.

In meetings with distilleries, they often tell Mr. Holt about their operations, how many people visit their destinations each year, how many products they produce and distribute, the state legislative issues that affect them, how they do their own marketing, challenges to their company, how many brands they have, how many employees they have and other general information on the business. During these meetings, Mr. Holt learned that they are having trouble getting whiskey barrels at a good price as many larger distilleries in Tennessee and Kentucky buy them up. This is not an issue on which IDDC would ever work. In an out-of-work conversation with a family friend, Mr. Holt mentioned the problem that distilleries are facing. His friend informed him that the hardwood company for which he serves as Chief Financial Officer has a relationship with cooperage companies that make barrels in Kentucky. Mr. Holt's friend told the cooperage company about their conversation, and the cooperage company felt that they could assist Indiana distillers by providing barrels on a regular basis at a market rate. The cooperage company proposed that Mr. Holt could work on his own time to help the distilleries with this problem.

In this potential role, Mr. Holt would get the distilleries or the distillery guild a locked-in price for each barrel if they have enough volume for the barrels. Mr. Holt would act as a "middleman" between the distillery (or guild) and his friend's hardwood company. His friend's company is already picking up goods from the cooperage company in Kentucky, so they would bring the barrels to Indiana and deliver them to the distilleries. This is a project that Mr. Holt would do for

compensation. Mr. Holt's friend's hardwood company would pay him, and the distilleries would pay the hardwood company. Mr. Holt would not discuss this project with any new distilleries that he visits as part of his IDDC role. Mr. Holt has not yet discussed this project idea with any distilleries.

Mr. Holt's request for a FAO invokes consideration of several Code rules, including IC 4-2-6-5.5. The application of this section to Mr. Holt's situation is analyzed below.

*A. Outside Employment/Professional Activity*

Mr. Holt's proposed outside employment opportunity would constitute a conflict of interests under IC 4-2-6-5.5 if it results in any of the following: (1) Mr. Holt receiving compensation of substantial value if the responsibilities of the employment are inherently incompatible with the responsibilities of public office or require his recusal from matters so central or critical to the performance of his official duties that his ability to perform them would be materially impaired; (2) Mr. Holt disclosing confidential information that was gained in the course of his state employment; or (3) Mr. Holt using or attempting to use his official position to secure unwarranted privileges or exemptions of substantial value that are not properly available to similarly situated individuals outside state government.

The Commission finds that IC 4-2-6-5.5(a)(3) prohibits Mr. Holt from engaging in his proposed outside employment opportunity. If he were allowed to proceed with his proposed project, Mr. Holt would be using information that he learned through his state duties to make a profit. Doing so would be a violation of IC 4-2-6-5.5(a)(3) as Mr. Holt would be using his official position to secure unwarranted privileges or exemptions of substantial value that are not properly available to similarly situated individuals outside state government.

Commissioner Sanchez moved to approve the Commission's findings, and Commissioner Krauss seconded the motion, which passed (3-0). Commissioner Gilroy abstained from voting due to personal acquaintance with requesting party.

**V. State Ethics Director's Report**

Regan Perrodin, State Ethics Commission Director, provided the following information to the State Ethics Commission:

The OIG has issued 26 Informal Advisory Opinions (IAOs) since the September Ethics Commission meeting, mostly relating to issues on post-employment, conflicts of interests, and outside employment, and gifts.

OIG continues to work on promulgating the civil penalties rule and on readopting title 42 of the Indiana Administrative Code. The final rule for re adoption has been submitted to the publisher and should be published in the Indiana register on October 23, 2024.

This year's biennial ethics training launched on September 6. All state employees, officers, and special state employees have until October 18 to take it. As new people are onboarded, they will also have 6 weeks to complete the training.

OIG also continues to provide in-person outreach and training.

The OIG's Legal and Ethics Conference is scheduled for the afternoon of November 19, 2024. The Conference has been approved for three hours of attorney ethics CLE credit. More information regarding the conference is on our website.

Finally, one our Staff Attorneys, Hope Blankenberger, is leaving State government for a new opportunity. OIG will be hiring a new Staff Attorney soon.

## **VI. Adjournment**

Commissioner Sanchez moved to adjourn the public meeting of the State Ethics Commission. Commissioner Gilroy seconded the motion, which passed (4-0).

The public meeting adjourned at 10:20 a.m.