

**RECORDED CONVERSATION**

**DATE:** June 17, 2014

**TIME:** 11:40 a.m.

**INTERVIEW OF:** Steven M. Costantino, DOB: [REDACTED]  
[REDACTED]  
[REDACTED]  
Tel. #: [REDACTED]

**INTERVIEW BY:** Detective Corporal Kenneth Buonaiuto

**LOCATION:** State of Rhode Island  
Office of Secretary of Health & Human Services

**SUBJECT:**

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1. Q. Mr. Costantino, can you state your full name and spell your last.  
A. Steven M. Costantino, C-o-s-t-a-n-t-i-n-o.
  2. Q. And your date of birth?  
A. [REDACTED]
  3. Q. And where do you reside?  
A. [REDACTED]
  4. Q. All right. Do you have an address?  
A. [REDACTED]
  5. Q. And a contact telephone number if we need to call you?  
A. [REDACTED]

6. Q. Okay. Mr. Costantino, we're here – we're here to speak with you about 38 Studios, and we understand in 2010 you were a member of the – of the State Legislature, is that correct --

A. Yes.

7. Q. -- in the House of Representatives?

A. **[No audible response]**

8. Q. Okay. Can you give a little background history of that, what – what position you held within...?

A. **I was the Chair of the House Committee on Finance.**

9. Q. Okay. And as the Chair of the Finance Committee, did you have any direct input or connection with the – the jobs creation guaranty--

A. Yes.

10. Q. --program that was passed? And – and if you could, if you could just elaborate...?

A. **Yeah, I mean basically, you know, the – the bill was in my committee. It actually was an article of the budget, I believe, originally, and then it was a bill. And my name was – I was a sponsor of the bill. So in the committee it would be our job to have a hearing and vet whatever issues that would be within the – the – the piece of legislation.**

11. Q. Okay. And when you say you sponsored it, is it – is it something that you wrote or did somebody bring it to you and ask you to sponsor it?

A. **No, it was – it was pretty much, I didn't write the bill, but staff works with – my staff works with EDC's staff to make sure that the bill is**

**accurate in terms of legislative construct. So the idea, you know, was originally an EDC proposal and, you know, obviously it gets placed – It was in the budget I believe then – this is four years ago, so I'm trying to recollect as best that I can. I believe it was an article of the budget, so it was put in the budget. But the concepts were we had a hearing on the concepts on the loan guaranty program and what other, other economic development programs were being suggested at that time. So – I don't know if you have the – the DVDs or whatever they're called, the – I think ...**

**12. Q. The minutes of the meeting you mean?**

**A. Well, everything's filmed, so.**

**13. Q. Okay.**

**A. There would – there would be a – a hearing on – on the bill and the ideas. And I think there was also a House floor debate that's a DVD as well.**

**14. Q. Okay.**

**A. So.**

**15. Q. Now who – who in the EDC worked with you during -- ... certain number of people or certain people ...**

**A. Well directly, I didn't have much contact with EDC, but I think staff probably had more contact with, you know, on what the – But I think originally the idea came from, you know, probably Keith Stokes in terms of this was a good program.**

16. Q. Did you speak with him directly, was there a conversation...?
- A. No, I was trying to remember. Probably did. It's – it's so long ago. I don't recollect if I directly spoke with him.
17. Q. Mr. Saul, maybe, the assistant director?
- A. Um. God, I'm trying to remember, it's so hard. I think – I, I did have a conversation. I think there were conversations between Keith Stokes. I don't know / remember about Mr. Saul on the loan guaranty program. And basically, you know-- And, you know, obviously I think we knew that the Governor, it came from, you know, his administration, the Governor, and, you know, obviously I think the Speaker thought this was a good program. And we authorized the program, so we are not involved, and, you know, there was no involvement of a specific company or a specific, you know, it was generally a program that a whole bunch of companies, large and small, would be eligible for.
18. Q. Okay, and --
- A. Right.
19. Q. -- and from what our understanding was, initially the – it was going to be a \$50 million fund and it was upped at some point in time to 125 million, which was the final --
- A. Yes.
20. Q. -- amount --
- A. -- the amount of money.
21. Q. -- within the bill. Can you tell me a little bit--

- A. **Yeah, and again --**
22. Q. **-- about that?**
- A. **Yeah. Basically, you know, quite frankly, I think what was my concern was I wanted to make sure that the amount was -- I, I remember having a conversation, like, what's the need out there in the community, all right, in terms of business; you know, how much, you know--**
23. Q. **Mm hmm.**
- A. **And you know, is there a pipeline for businesses wanting this kype [phonetic] of -- type of loan and that's kind of what -- They kind of said, well, you know, the pipeline out there with small and large is probably around \$125 million.**
24. Q. **And -- and who were you asking these questions...?**
- A. **I d- I remember having that conversation with -- That's one thing, I do remember having that with, I believe, Keith.**
25. Q. **Okay.**
- A. **Okay.**
26. Q. **Was there any direct conversation regarding 38 Studios' interest at that point at least in-coming to Rhode Island and maybe seeking out some -- some of this guaranty money?**
- A. **Um. Yeah, I mean, I knew they were interested. You know. I didn't know they would get it, I knew they were interested. You know. But I also knew there was a whole bunch of other companies interested as well.**
27. Q. **Right. And --**

A. You know

28. Q. -- how did you become aware that they were interested?

A. Can we? I just – Can we just stop this for a minute?

29. Q. Yes.

A. Fellas, I'm be—

[END OF RECORDED INTERVIEW]

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STATEMENT TAKEN BY:

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WITNESSED BY:

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