

TELEPHONIC WITNESS STATEMENT

DATE: [Not Provided]

TIME: [Not Provided]

INTERVIEW OF: Representative John Carnevale

INTERVIEW BY: Detective Corporal Kenneth Buonaiuto
Rhode Island State Police Financial Crimes Unit

LOCATION: Rhode Island State Police Headquarters
311 Danielson Pike
North Scituate, Rhode Island 02857

SUBJECT: 38 Studios Investigation

1. Q. How are you, Mr. Carnevale, this is Corporal Ken Buonaiuto with the Rhode Island State Police.

A. Hey Corporal, how are you?

2. Q. Good.

A. As a matter of fact, I just got your message yesterday, I was on the run and I didn't get to listen to my answering machine until yesterday ...

3. Q. No, ...

A. -- thought I'd give you a call today.

4. Q. No, that's not a problem. Do you have a few minutes?

A. Yeah, absolutely, go ahead.

5. Q. Okay. Just for the records, it's John M. Carnevale?

A. Correct.

6. Q. Okay. Mr. Carnevale, what – what was the – what is your ter- When were you first elected, let me put it that way I guess.

A. **First election I won was September of 2'08, it began January of 2'09.**

7. Q. Two - o - nine.

A. **State Rep.**

8. Q. To present. And - and is that - Was that continuous?

A. **That's correct.**

9. Q. Okay. And what - what committees have you been assigned to since you came into office?

A. **My first three years I was on Corporations. My third year I was on Corporations and Labor. My fourth year from ... Corporations and Labor, and I believe the last four years, Finance.**

10. Q. Okay.

A. **And I'm now no longer on Corporations and Labor, just on Finance.**

11. Q. Okay. Very good. Okay. And specifically in May of 2010, the Jobs Creation Guaranty Program bill came to the full floor. Prior to that it - it went through Finance. Were you a member of Finance when that came through there?

A. **No, I was not.**

12. Q. Okay. So when did you come into Finance, you said the past four years, so was it ...?

A. **Ooh, this is what, 2'14? I believe it was 2'10. It was either 2'10 or 2'11 I - I was on - I came on House Finance.**

13. Q. Okay. So it wasn't May or, or March - May or April of 2010.

A. **Uh. No, was it 2010 that that bill came to the ...**

14. Q. Yup.

A. **-- Finance Committee?**

15. Q. Right. That's right.

A. O – Okay, then it was 2011, it was the year after.

16. Q. Okay. Very good. Okay. Do you remember that particular bill coming to the full floor?

A. Yes, I do.

17. Q. All right. And what can you tell me about that you – that you remember?

A. Well, it was the first time that I had heard of the bill. And the explanations that were received from the people who were supporting the bill such as Finance Chairman Steve Costantino, was that the bill was – the, the bill was basically a –we were funding a jobs creations fund.

18. Q. Okay. And that – that fund would be for who?

A. Well there were no – no entities, business entities in particular mentioned, but it would be for start-up companies or companies that needed new money; that it would go in front of a, a committee, I believe it was EDC, and they would make the decision on who would receive the funds.

19. Q. Okay. Did anybody ask specifically if there was anybody of – of special interest for it?

A. I – You know what, that – that came – I believe it came about on the floor. It might have been Representative MacBeth or Representative Lima, or Representative Watson, I remember the three of them spoke against it. So did Representative – Gee, and I forget his name. He – he's retired now, he – he was from North Kingstown. Um. There were at least four reps that spoke about it, and questioned it, and questioned ch- Finance Chairman Costantino. But I did not.

20. Q. Okay. All right. But the m- But the majority seems like they – they were for it because they thought it would be a good bill for business?

A. Yes, sir. And all ... I believe even those who questioned it, they voted for it. I think the only one that was not was Representative Watson, but every ... voting for it.

21. Q. Okay. 38 Studios, when was the first time you heard about that?

A. I – I would say sometime that following summer as the ... chair, and I heard of 38 Studios.

22. Q. Okay. And – and what's your feelings about that? I mean, well after you heard about it, did it draw your attention or is it just, you know, just in kind of – you just heard about it and it wasn't anything...

A. No, I – I – I started reading about it in the paper, and, you know, I knew that they were possibly going to come downtown to downtown Providence, which, you know, I mean, and bringing, you know, possibly 400 jobs, which I thought was a great thing. But at that point in time I didn't know that it was going to be worth 75 million, you know, of that fund that we had put together.

23. Q. Right.

A. As time went on, eventually I learned that that had taken place.

24. Q. All right. Do you know anybody at 38 Studios or?

A. No, I don't. No.

25. Q. Okay.

A. Not at all.

26. Q. All right. Michael Corso, do you know him?

A. I heard the name, but I don't know him, no.

27. Q. Okay.

A. If he was standing in front of me, I wouldn't know him.

28. Q. Okay. And you just heard the name through the media?

A. **Through the media, that's all.**

29. Q. Okay. Is there anything I haven't asked you that you think is important for me to know?

A. **No, not really. You covered all the bases, I believe.**

30. Q. Yeah. Do you think anybody benefited personally from this, you know, besides 38 Studios getting the money to hopefully build a business?

A. **I don't know, but if they did, I hope the State Police or the other – other – the feds, whoever investigated can come down, you know, to the bottom of it, ...**

31. Q. Mm.

A. **-- and prosecute. But do I – do I know? No, I don't.**

32. Q. Okay. All right. Anything unrelated to this particular topic that you think you want to share with me?

A. **No.**

33. Q. Okay. All right. You have my telephone number, right, from the message, voice mail message?

A. **Yes.**

34. Q. Okay.

A. **I believe so.**

35. Q. If something ...

A. **I got it.**

36. Q. -- comes to ...

A. **Actually, I wrote it down. I ... was going to call you today ...**

37. Q. Okay.

A. -- ... I got out of work.

38. Q. All right. If something comes to mind to you afterwards, like, oh geez, I wish I had – I brought that up, feel free to call me or if something else totally unrelated, like I said, feel free to – to give me a call. My – my phone and my door is always – always open.

A. Okay. Corporal ...

39. Q. Okay?

A. -- thank you very much.

40. Q. All right. Thank you for your time.

A. Thank you. Take care.

STATEMENT TAKEN BY:

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