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September 9, 2022

Hon. Letitia James Attorney General of the State of New York Office of the Attorney General State Capitol Albany, New York, 12224-0341

P. David Soares Albany County District Attorney Albany County District Attorney's Office 6 Lodge St. #401 Albany, NY 12207

Dear Attorney General James and District Attorney Soares:

I write to ask that you immediately investigate recent reports regarding whether Governor Hochul's Administration engaged in pay-to-play when it awarded a \$637 million state contract to Digital Gadgets for COVID-19 tests in exchange for nearly \$300,000 in campaign donations to the Governor's political campaign.

According to a recent article in The Times Union, Governor Hochul's Department of Health contracted with four companies to provide millions of COVID-19 tests. The aforementioned Digital Gadgets charged \$12.25 per test while the three competitor companies charged between \$5 and \$7.80 per test. Two weeks after the last of the \$637 million payments were made to Digital Gadgets, the company's CEO, Charles Tebele, held a political fundraiser for Governor Hochul.

Governor Hochul's campaign disclosure report indicates Charles Tebele's business partner, Jack Cayre, made a \$69,700 donation to Governor Hochul on the same day as the fundraiser. Mr. Cayre had never made a political donation of more than \$7,000 to a political candidate up to that point. Additionally, the Cayre family has donated more than \$418,000 to Governor Hochul.

What makes this situation even more concerning is the fact Governor Hochul has used her executive order powers to get around the competitive bidding process and comptroller oversight that usually accompanies these contracts and was put in place to ensure pay-to-play is not occurring.

As you know, the prior Administration was entangled with multiple ethical problems, leaving New Yorkers disgusted with their government. Now is the time to ensure we build back this trust with taxpayers.

For these reasons, we urge you to immediately investigate these reports. We thank you for your attention to this critically important matter, and look forward to an immediate reply to this communication.

Sincerely,

Senator Sue Serino

Sue Derino

41st District