

RHODE ISLAND ETHICS COMMISSION

Advisory Opinion 2026-22

Approved: June 23, 2026

Re: Richard Houle

QUESTION PRESENTED:

The Petitioner, a member of the Coventry Town Council, and who in his private capacity works as an associate real estate broker, requests an advisory opinion regarding whether he is prohibited by the Code of Ethics from participating in town council discussions and decision-making relating to whether or not the town should dispose of its inventory of vacant municipal lots and buildings to private parties.

RESPONSE:

It is the opinion of the Rhode Island Ethics Commission that the Petitioner, a member of the Coventry Town Council, and who in his private capacity works as an associate real estate broker, is not prohibited by the Code of Ethics from participating in town council discussions and decision-making relating to whether or not the town should dispose of its inventory of vacant municipal lots and buildings to private parties.

The Petitioner is a member of the Coventry Town Council, having been elected to that position during a special election in August 2025 to fill a vacancy. He states that he plans to seek re-election in November 2026. The Petitioner represents that, in his private capacity, he has held a real estate license for seven years, is now an associate broker, and has been working as a real estate agent for RE/MAX Revolution for the past two years. He further represents that he is one of approximately 300 agents currently working for RE/MAX Revolution as contractors. The Petitioner informs that, in his professional capacity, he occasionally lists and sells residential properties located in Coventry. He explains that his private work has never required him to appear before the Coventry Town Council or before any of the town's boards, commissions, or agencies over which the town council has appointing authority.

The Petitioner states that the Town of Coventry has an inventory of approximately 174 vacant parcels of land and buildings which, if sold or otherwise transferred, would place them back on the town's tax rolls and result in revenue for the town. The Petitioner further states that he would like to participate in town council discussions and decision-making relating to whether or not the town should undertake to sell or otherwise transfer these

vacant properties. The Petitioner represents that he would not personally act as a real estate agent or broker for the town; nor would he list any of the subject municipal properties in his private capacity or represent private buyers attempting to purchase them. The Petitioner further represents that, should the town council decide to undertake the transfer of the currently vacant properties in the town, whether through sale, auction, or otherwise, he would not take part in town council discussions and/or decision-making beyond the decision to transfer the vacant properties, given the likelihood that his business associates, namely RE/MAX and his fellow agents, would seek to participate. The Petitioner emphasizes that his question to the Ethics Commission is limited to whether the Code of Ethics prohibits him from participating in town council discussions and decision-making about *whether* to transfer or sell the vacant lots and/or buildings, not the manner in which any decision to dispose of the vacant lots and buildings would be accomplished, or any subsequent actions relating to the transfer or sale of the vacant properties.

A person subject to the Code of Ethics may not participate in any matter in which he has an interest, financial or otherwise, which is in substantial conflict with the proper discharge of his duties in the public interest. R.I. Gen. Laws § 36-14-5(a). A substantial conflict of interest occurs if the public official has reason to believe or expect that he, any person within his family, his business associate, or any business by which he is employed or which he represents, will derive a direct monetary gain or suffer a direct monetary loss by reason of his official activity. R.I. Gen. Laws § 36-14-7(a). A business associate is defined as “a person joined together with another person to achieve a common financial objective.” R.I. Gen. Laws § 36-14-2(3). A person is defined as “an individual or a business entity.” § 36-14-2(7). A public official has reason to believe or expect that a conflict of interest exists when it is “reasonably foreseeable,” meaning that the probability is greater than “conceivably,” but the conflict of interest is not necessarily certain to occur. 520-RICR-00-00-1.1.5 Reasonable Foreseeability (36-14-7001). Additionally, a public official must recuse himself from participation in a matter when his business associate, or a person authorized by his business associate to act on the business associate’s behalf, appears or presents evidence or arguments before the public official’s municipal agency, except when the business associate or their authorized representative is before the municipal agency during a period where public comment is allowed, to offer comment on a matter of general public interest, and further provided that the business associate or their authorized representative is not otherwise a party or participant, and has no personal financial interest, in the matter under discussion. 520-RICR-00-00-1.2.1(A)(2)&(3) and (B)(2). Additional Circumstances Warranting Recusal (36-14-5002). Finally, a public official may not use his office for pecuniary gain, other than as provided by law, for himself, any person within his family, his business associate, or any business by which he is employed or which he represents. § 36-14-5(d).

In order to determine whether the above provisions of the Code of Ethics are implicated, the Ethics Commission must first ascertain whether the Petitioner or his business associates, specifically, RE/MAX Revolution or one of its agents, would be directly

financially impacted by the official action that is under consideration, which in this case would be the Petitioner's participation in town council discussions and decision-making relating to whether or not to dispose of the town's inventory of vacant municipal lots and buildings to private parties. If a direct financial impact, be it positive or negative, is not reasonably foreseeable as a result of the Petitioner's contemplated official action, then the Petitioner will not be required by these provisions of the Code of Ethics to recuse from participation in the discussions and decision-making relative to that particular issue. For example, in Advisory Opinion 2021-25, a legislator serving as a member of the Rhode Island Senate was allowed to participate in senate discussions and voting relative to proposed legislation that would allow Twin River Casino Hotel to extend its debt leverage ratio limits during the extension of its lottery contract with the State of Rhode Island because, notwithstanding that the petitioner was privately employed by a commercial lending institution that was then servicing Twin River Casino Hotel, the financial impact of the legislation upon the petitioner's employer was both hypothetical and indirect. See also A.O. 2011-1 (opining that a member of the Block Island Housing Board could participate in general housing board discussions and voting concerning construction projects that neither he nor any family member, business associate, or employee would be financially impacted thereby); A.O. 2001-20 (opining that a legislator serving in the House of Representative who was employed as a police officer for the City of Cranston was not prohibited from sponsoring and/or advocating for the passage of legislation that would allow the City of Cranston to finance the unfunded liability in its police and fire pension systems because although the petitioner, upon retirement, would be a pensioner receiving payments from the system, the proposed legislation would not affect whether and to what extent he would receive future pension benefits from the system, and any benefit that would accrue to him would accrue to him as a result of the proposed legislation was at best speculative and remote).

Here, the decision about whether to offer vacant land and buildings in the town through auction and/or sale would not result in any *direct* financial impact on the Petitioner or his business associates, specifically, RE/MAX Revolution and its agents. Accordingly, based upon the facts as represented, the applicable provisions of the Code of Ethics, and consistent with prior advisory opinions issued, it is the opinion of the Ethics Commission that the Petitioner is not prohibited by the Code of Ethics from participating in town council discussions and decision-making relating to whether or not the town should dispose of the town's inventory of vacant municipal lots and buildings to private parties. However, in the event that the town council decides to dispose of the town's inventory of vacant municipal lots and buildings to private parties, the Petitioner is advised to either recuse from participation in subsequent town council matters relating to the issue or to seek additional guidance from the Ethics Commission. Recusals must be made consistent with the provisions of R.I. Gen. Laws § 36-14-6.

This Advisory Opinion is strictly limited to the facts stated herein and relates only to the application of the Rhode Island Code of Ethics. An advisory opinion rendered by

the Commission, until amended or revoked by a majority vote of the Commission, is binding on the Commission in any subsequent proceedings concerning the person who requested the opinion and who acted in reliance on it in good faith, unless material facts were omitted or misstated by the person in the request for the opinion. Under the Code of Ethics, advisory opinions are based on the representations made by, or on behalf of, a public official or employee and are not adversarial or investigative proceedings. Finally, this Commission offers no opinion on the effect that any other statute, regulation, agency policy, ordinance, constitutional provision, charter provision, or canon of judicial or professional ethics may have on this situation.

Code Citations:

§ 36-14-2(3)

§ 36-14-2(7)

§ 36-14-5(a)

§ 36-14-5(d)

§ 36-14-6

§ 36-14-7(a)

520-RICR-00-00-1.1.5 Reasonable Foreseeability (36-14-7001)

520-RICR-00-00-1.2.1 Additional Circumstances Warranting Recusal (36-14-5002)

Related Advisory Opinions:

A.O. 2021-25

A.O. 2011-1

A.O. 2001-20

Keywords:

Business Associate

Conflict of Interest