

During federal investigation, state budget chief steps down, take finance job in East Hartford

The departure comes as the state’s budget office is under intense scrutiny and the subject of a federal investigation involving the

By Carmen Chau

Gov. Ned Lamont announced on Friday the head of the state Office of Policy and Management (OPM) will be stepping down.

Melissa McCaw’s resignation came at the same time as the federal investigation involving the office’s former second in command, Kostantinos Diamantis who is McCaw’s deputy in the OPM.

In a news conference Friday, the governor said McCaw’s resignation was not a surprise at all. In fact, he said she just wanted a fresh start from the Office of Policy and Management, but other lawmakers have a lot of questions.

“I wasn’t shocked. There’s a lot of back and forth going on right now. It’s distracting,” said Lamont.

“It’s about as stupid an idea as can be conceived by elected officials in any state in the United States and maybe even in the Third World,” said Norm Pattis. ”

Lamont emphasized he did not ask McCaw to resign. He said she accepted a finance director position for the Town of East Hartford.

The governor answered confidently with a no when asked if McCaw had any involvement in the alleged misappropriation of billions of dollars meant for the state’s school construction program.

Diamantis is at the center of a federal probe

looking into those allegations.

House Minority Leader Vincent Candelora said Friday's announcement from McCaw does draw speculation.

"We're all caught off guard by this and certainly it's not a promotion. She is taking a pay cut and moving to reviewing - going from the state to the city, so it does raise eyebrows," said Candelora.

Four months ago, Diamantis was fired by Lamont, just eight days after state officials were served a subpoena looking into his conduct.

At the beginning of February, the findings of an independent report questioned the hiring of Diamantis' daughter for a high-paying position by Chief State's Attorney Richard Colangelo all while Colangelo sought pay raises for himself and his fellow prosecutors.

Not long after that lengthy report came out, Colangelo announced his retirement.

On Thursday, lawmakers on both sides spoke in agreement and said the investigation is a major red flag.

"Certainly the fact there's an ongoing federal investigation is a grave concern," said State Senator President Pro Tempore

Martin Looney.

"If I know that there was a bid where someone was paying above what they should have, that's coming out of my taxpayers' pocket," said State Representative Holly Cheeseman.

Diamantis' attorney criticized lawmakers and said the idea of holding committee hearings on his alleged matter is unnecessary.

"It's about as stupid an idea as can be conceived by elected officials in any state in the United States and maybe even in the Third World," said Norm Pattis.

The governor said he is committed to rooting out any wrongdoing.

"There may be some bad habits that accrued over many many years and we're getting it right. This is the budget season. I've got to do everything I can to give our tax payers' confidence," added Lamont.

McCaw will be replaced by Jeff Beckham, the deputy secretary of OPM. That change will go into effect March 11. ■