



# M U L T I S T A T E

## [Ethics Conversations Continue in Springfield](#)

As lawmakers from both sides of the aisle at the Illinois statehouse continue to offer up ideas they believe must be implemented to curb corruption and clean up ethics, one is looking to give local prosecutors power to wiretap public corruption suspects.

During a virtual press conference Thursday, state Sen. Dale Righter laid out how tumultuous it's been with Democrats getting targeted by federal prosecutors.

“So over the last 15 months, four legislators have been indicted and another one is shall we say under the intense scrutiny of the federal government is a very wide-ranging investigating,” Righter said.

Last year Democratic state Sen. Tom Cullerton, D-Villa Park, was charged with embezzling money from a labor union. Cullerton is still a member of the General Assembly and the case is pending.

Also last year, former state Rep. Luis Arroyo, D-Chicago, was arrested for bribing an unnamed state Senator who was wearing a wire. Arroyo later stepped down from the legislature.

Earlier this year former state Sen. Martin Sandoval, D-Cicero, pleaded guilty to running cover for the red light camera industry while taking money on the side. He's cooperating with further investigations.

Earlier this month, former state Sen. Terry Link, D-Vernon Hills, pleaded guilty to tax evasion. Link is believed to be the state Senator who wore a wire for federal prosecutors in the Arroyo case, though he's denied that.

Tuesday in Springfield the second hearing of a special House Investigating Committee is looking into a ComEd bribery scheme that implicated House Speaker Michael Madigan, D-Chicago.

State Sen. John Curran Thursday with other Republicans laid out measures he said would help combat such behavior. He said local prosecutors can get wiretaps for drug and gang investigations, but not for public corruption investigations, and that needs to change.

“The federal government has shown us how they effectively use wiretapping evidence to break through the system of corruption here in Illinois, our local prosecutors need to get in the game,” Curran said.

Curran said there’d be judicial oversight to ensure such power wasn’t abused for political reasons.

Other ideas Senate Republicans offered Thursday would allow the Illinois Attorney General to impanel a statewide grand jury to investigate, indict and prosecute bribery and misconduct by members of the General Assembly, or grant the Legislative Inspector General the ability to investigate members of the General Assembly without first receiving approval from the Legislative Ethics Commission.

Other measures would require updates to economic interests statements, prohibit legislators from becoming lobbyists right away, or using political funds of lobbying activities among others.

Senate President Don Harmon’s spokesperson John Patterson said Republicans have “some interesting ideas” and Senate leadership looks to work with Republicans to pass “meaningful ethics reform for the people of Illinois.”

State Sen. Dan McConchie, R-Hawthorn Woods, is a minority member of the Joint Commission on Ethics and Lobbying Reform. The group hasn’t met in six months and was supposed to produce a report with recommendations on March 31, but never did.

McConchie said there’s no excuse the group can’t be meeting, given the governor’s recent executive orders on open meetings during the pandemic.

“And yet since then we’ve called for us to meet, we’ve tried to meet, and we’ve just heard crickets from the other side,” McConchie said. “If the commission met, if the reform commission met, we’d be able to do a lot of the state work that would be necessary to get this done during veto [session].”

State Sen. Cristina Castro, D-Elgin, who’s in the majority on the commission, said in a statement through a spokesperson Thursday “the commission will meet in the coming weeks to discuss the report.” That’s the same statement other Democrats on the commission gave four weeks ago.

## [State Senate GOP outlines ethics package](#)

Illinois Senate Republicans unveiled a package of ethics proposals Thursday which they say is targeted to stop the type of corruption that has led to the indictment of four legislative Democrats in recent months.

“Today we're introducing a legislative package that targets corruption by focusing on two distinct areas: enhancing the state’s ability to enforce the laws we already have on the books; and ensuring that legislators are serving the public interest,” state Sen. John Curran, R-Downers Grove, said during a virtual news conference.

To enhance the ability to enforce laws, Republicans are backing bills to: allow the state attorney general to impanel a statewide grand jury to investigate, indict and prosecute bribery and misconduct by members of the General Assembly; provide state’s attorneys with wiretap authority; and grant the legislative inspector general the ability to investigate members of the General Assembly without first receiving approval from the Legislative Ethics Commission, while changing the composition of the commission to make its members part of the general public, rather than legislators.

Curran said inaction on corruption in Illinois breeds distrust in the system as headlines of indictments continue to mount.

Four Democrats from the General Assembly have been indicted since the start of 2019, including former Sens. Martin Sandoval of Chicago and Terry Link of Indian Creek, as well as former Rep. Luis Arroyo of Chicago. While the charges against Sandoval and Arroyo relate to their official business as lawmakers, Link’s does not, as he pleaded guilty to a tax evasion charge related to underreporting income.

State Sen. Tom Cullerton, D-Villa Park, was indicted on ghost payrolling charges but has pleaded not guilty and continues to serve.

Meanwhile, Commonwealth Edison, the state’s largest utility, admitted to corruptly seeking influence in the General Assembly and agreed to pay a \$200 million fine. In the court document known as a Deferred Prosecution Agreement, in which ComEd made the admission, it was also noted that one of the main officials they sought to influence was House Speaker Michael Madigan, a Chicago Democrat.

While Madigan has denied any wrongdoing and has not been charged, ComEd claimed in the court document that it handed out jobs and contracts to close Madigan associates in an effort to curry his favor for legislation that benefitted the company.

Sen. Jil Tracy, R-Quincy, said it's "understandable that people are skeptical of their government" given the recent headlines, which is why lawmakers are also taking aim at bills to ensure lawmakers "are working in the public interest."

Other proposed measures would ban legislators from lobbying other branches of state government or units of local government for compensation — an activity that would have prevented Arroyo from receiving payment for lobbying the city of Chicago while he was a sitting legislator.

"This would stop a legislator from being able to leverage his or her position as an elected official at one level of government to influence action at another level for his or her financial benefit," Tracy said.

Another bill backed by the GOP senators creates a revolving door prohibition preventing lawmakers from becoming lobbyists for one year after leaving office, or until the end of the current term.

Other proposed measures prohibit a legislator from leaving office and continuing to use their campaign fund to support lobbying activities and require further reporting on statements of economic interests to enhance the disclosure of potential conflicts of interest.

The GOP senators faced questioning as to whether they would be able to work with Democrats, and they noted similarities in ethics proposals backed by the majority party.

On Aug. 13, the same day news broke that Link was indicted, General Assembly Democrats hosted a virtual news conference to unveil reforms calling for similar lobbying restrictions for current and retiring lawmakers.

On Thursday, John Patterson, a spokesman for Senate President Don Harmon, D-Oak Park, issued a statement saying, "They've got some interesting ideas. We look forward to them working with us to pass and enact meaningful ethics reform for the people of Illinois."

Sen. Dale Righter, R-Mattoon, said he believes Democrats will be receptive because many of them are fed up as well.

“The supermajority is filled with good people who, I'm sure, the overwhelming majority of them are just as embarrassed by what they hear and read and see going on with their colleagues as we all are,” Righter said. “The question is whether or not we can help pull them away from a system that has developed ...of systemic corruption, to pull them away from that. And the best way to do that is to for us to jointly, on a bipartisan basis, embrace these proposals.”

Sen. Dan McConchie, R-Hawthorn Woods, said the narrow focus of the bills introduced Thursday was intentional.

“This entire package is focusing on us cleaning up our own house,” he said of the General Assembly. “We believe that there are plenty of members on the other side of the aisle that want to do that.”

As to whether the measures will be heard in the fall veto session, which is scheduled Nov. 17-19 and Dec. 1-3, Righter said “that’s completely up to the Democrats.” Harmon’s spokesperson did not indicate whether the measures would be considered in the veto session.

### **[Oregon Lawmaker Files Ethics Complaint Against Union Lobbyist](#)**

State Rep. Daniel Bonham (R-The Dalles) filed an ethics complaint Sept. 2 against Jeff Anderson, a lobbyist for United Food & Commercial Workers Local 555, over Anderson's comments to the NW Labor Press about whether employees who get COVID-19 should automatically receive workers' compensation benefits.

That's a divisive issue in Salem (["Virus Proof," WW, July 29, 2020](#)), and the union, which represents grocery workers, says it's a key issue for its members.

Bonham says Anderson "clearly implied that UFCW's political contributions in the 2020 election cycle would be tied to whether legislators signed a letter expressing support for one of the organization's top legislative priorities." That could violate Oregon ethics laws against trading campaign contributions for influence.

Anderson says he was merely describing what the priorities for the union would be.

"Suggesting that a union can't describe its legislative agenda is a baseless complaint," he tells WW. "Rep. Bonham knows it's baseless because if it did have merit, he himself would be in violation of taking money from a number of organizations that very explicitly telegraph their expectations of legislators: Koch Industries, the gun lobby, and the financial sector, to name a few."

The complaint is under preliminary review by the Oregon Government Ethics Commission.

### [Indiana casino executive charged in illegal campaign scheme](#)

One top executive of an Indiana casino company that is building a new \$400 million casino in Gary has been indicted and another has left his position following a lengthy federal investigation into [allegations that corporate money was illegally funneled](#) to a former state lawmaker's unsuccessful congressional campaign.

The federal indictment announced Tuesday charges Spectacle Entertainment's vice president, John Keeler, and former Republican Sen. Brent Waltz of Greenwood with taking part in a scheme to direct more than \$25,000 in illegal corporate contributions through straw donors to Waltz's 2016 campaign.

The federal investigation involving Keeler became public in January after a political consultant pleaded guilty in Virginia to arranging for several people write campaign checks for Waltz with casino company money that originated through a fake contract with for political work.

Indiana casino officials this spring [forced Keeler and fellow Spectacle executive Rod Ratcliff](#) to give up their ownership stake in a planned new \$125 million Terre Haute casino because of the investigation, but allowed a business partner to go ahead with the project.

The Indiana Gaming Commission said it suspended Keeler's casino license on Tuesday and was investigating the actions of Spectacle and others involved.

"This matter is extremely serious," commission executive director Sara Gonso Tait said. "The ability for this company to continue to hold an Indiana gaming license is in question."

Messages seeking comment were left for Keeler and at a phone number previously listed for Waltz, who was a state lawmaker for 12 years before giving up his seat for the congressional run.

Indianapolis-based Spectacle said in a statement that Keeler has taken administrative leave.

"It is important to remember that Mr. Keeler is presumed innocent of all charges," the statement said. "Spectacle Entertainment will have no further comment at this time."

Ratcliff and Keeler, a lawyer who was a Republican legislator for 16 years in the 1980s and 90s, have been active lobbyists in the Indiana Legislature for many years on casino matters. They pushed lawmakers last year to allow [the Gary casino's move](#) from along Lake Michigan to a more lucrative location along Interstate 80/94 in Gary. Republican [Gov. Eric Holcomb faced a state ethics review](#) last year of his dealings with Ratcliff.

Ratcliff, who is not named in the indictment and does not face any criminal charges, resigned in June as Spectacle's chairman and CEO, in a move apparently not publicly announced by the company.

Ratcliff is no longer allowed "to exert any control or management" over the new Gary casino but remains a substantial owner of Spectacle, according to the Gaming Commission.

Spectacle's announcement last week of the promotion of executive vice president Jahnae Erpenbach as chairwoman and CEO included no mention of Ratcliff. A company spokeswoman didn't immediately reply to a request for an explanation of his departure.

Ratcliff and Keeler were leaders of Centaur Gaming, which sold Indiana's two horse track casinos in Anderson and Shelbyville to Las Vegas-based Caesars Entertainment Corp. in 2018 for \$1.7 billion. They led a group that then formed Spectacle to buy the Gary casino operation.

According to the federal indictment, 15 people were recruited in the scheme to make maximum contributions of \$2,700 to the Waltz campaign while they were illegally repaid from nearly \$80,000 that originated from the casino company to the Virginia-based political firm Strategic Campaign Group.

Firm executives Charles O'Neil and Kelley Rogers have pleaded guilty in separate campaign finance violation and fraud cases.

The indictment also charges Waltz with lying to FBI agents by telling them that \$12,000 he received from Rogers was a retainer for Waltz to provide investment banking services. Waltz is also charged with falsely telling investigators he sold artwork and other items for more than \$100,000 that he loaned his campaign, while two people not named in the indictment illegally gave him that money.

Waltz finished fourth in a five-candidate field in the 2016 Republican primary for the 9th Congressional District that stretches from the southern Indianapolis suburbs to Ohio River communities just north of Louisville, Kentucky.

[The Indianapolis Star reported last year](#) that Ratcliff treated Holcomb to private jet flights in 2018 as they traveled together for meetings hosted by the Republican Governors Association in Colorado and Arizona. But the state's inspector general concluded the governor committed no wrongdoing as it determined the flights were provided to the governor's group rather than Holcomb's office.

The flights were among \$500,000 Ratcliff and his companies contributed in 2018 to the Republican Governors Association, which gave Holcomb \$7.6 million of the \$14.5 million he spent on his 2016 election campaign.