

Assembly candidate Dawn Addis accepts, then returns, donation from wind energy lobbyist

Morro Bay City Councilwoman Dawn Addis, who is <u>running to represent the Central Coast</u> in the California State Assembly, accepted a \$250 donation from a registered state lobbyist, campaign records show.

Campaign spokeswoman Gail Bunting said Thursday that once the campaign realized the error, the donation was immediately returned.

The campaign for the <u>Democratic challenger to Republican incumbent Jordan Cunningham</u> was alerted on Monday that the donation was being investigated by the <u>California Fair Political Practices Commission</u>, which regulates state and local campaign finance.

Addis' campaign spokeswoman on Thursday said that the donation was made on the candidate's website and reported in campaign finance records Jan. 23 before it was realized the donor was a lobbyist registered with the state.

Candidates for elected office are <u>prohibited from accepting cash or in-kind donations</u> from lobbyists. Since returning the money, Addis' campaign has added a disclaimer on her fundraising website explaining campaign finance rules, including that lobbyist donations are prohibited.

The donation of \$250 came from Denver, Colorado-based attorney <u>Steven Black</u>, who is registered as a lobbyist with clients in the wind energy industry.

Castle Wind, LLC, listed on the California Secretary of State's website as <u>Black's client</u>, is a wind energy company and a "joint venture" between <u>Trident Winds Inc</u>. and <u>EnBW North America Inc</u>., according to a news release from the company.

The company is currently invested in a bid to develop offshore wind turbines off the Morro Bay coast.

In August 2019, the company <u>announced it had entered into an agreement</u> with a community choice energy agency, Monterey Bay Community Power, to declare both their shared interests in establishing a floating wind project off the Central California coast.

Reached by phone Thursday, Black, called the donation an "inadvertent mistake" and confirmed that it has been returned. Black said he is more familiar with rules regarding federal campaign finance laws and he was not aware of California limitations.

After speaking with Black, Andrea Deveau, a spokeswoman for Castle Wind, called a Tribune reporter unsolicited to confirm that "the mistake has been acknowledged, cured, and will not happen again."

The FPPC investigation into the donation was spurred by a submitted complaint, according to a response letter obtained by The Tribune.

The letter states that agency's Enforcement Division will investigate the allegation and notify the complainant once there is resolution.

An FPPC spokesperson could not immediately be reached late Thursday for an update on the agency's investigation or what possible penalties or fines Addis' campaign could face, if any.

Addis is running for the 35th Assembly District, which encompasses all of San Luis Obispo County and northern Santa Barbara County. It has been represented by Cunningham since 2016.

Addis spokeswoman Bunting said that the candidate is proud of the fundraising the campaign has pulled off after entering the race relatively late in November.

"She's covered a lot of ground in the last couple months," Bunting said.

Both Addis and Cunningham filed <u>end-of-year campaign financial statements</u> with the Secretary of State on Jan. 23 for the 2019 calendar year.

As of Dec. 31, 2019, Addis reported raising a total of \$87,900 in contributions and spending a total of \$14,008, leaving her with a cash balance of \$75,401 going into 2020.

Notable donors include state Sen. Bill Monning, SLO County Supervisor Bruce Gibson, Morro Bay Mayor John Headding, Grover Beach Mayor Jeff Lee, former San Luis Obispo Mayor Jan Marx, county supervisor candidate Ellen Beraud, the International Brotherhood of Electrical Workers union, the California Council of Service Employees, the Central Coast Labor Council, and the Atascadero Democratic Club.

As of the end of last year, Cunningham had a roughly 4-to-1 financial advantage over Addis, having raised a total of \$372,413 in contributions. He spent a total of \$113,099 in 2019, and including the amount of cash he began the year with, Cunningham had a cash balance of \$338,272 as of Dec. 31, 2019.

Notable donors include a host of political action committees for large corporations, including the vaping company Juul Labs Inc., Koch Industries, Phillips 66, Exxon Mobil, Sempra Energy, Southern California Edison, Walmart, Sprint, AT&T, Charter Communications, Dish Network, UPS, Ford Motor Co., Union Pacific Railroad Co., Disney, and Tesla.

Cunningham also accepted donations from the Western States Petroleum Association and the American Wind Energy Association, records show.

Illinois ethics commission addresses conflicts of interest, closing the "revolving door"

Gov. JB Pritzker called for a crackdown on corruption during his State of the State address Wednesday afternoon.

Less than 24 hours later, the Illinois Joint Commission on Ethics and Lobbying Reform was working to craft suggestions for the General Assembly.

The commission discussed several big ethical issues: conflicts of interest, transparency of finances for public officials and "revolving door" policies.

"Yes, we have bad apples. We have had individuals who have behaved poorly. We have had individuals who have done repugnant, disgusting things," said Commission Co-Chair Elgie Sims. "But at the end of the day, that is not the rampant perspective of individuals in the General Assembly."

The Democratic Chicago Senator says it's important for people to know their lawmakers are voting in their communities' best interest, instead of their own personal gains.

But what happens when officials and lobbyists fill out their statements of economic interest?

"The question says list the name of any unit of government. It doesn't say what you do for that unit of government," explained Brad Cole, Illinois Municipal League Executive Director. "That makes me wonder, what is the interest? So if you are employed, what are you doing? What is the interest that you might have with the unit of government?"

Cole also mentioned the statement of economic interest document hasn't been updated since 2012, though some think the questions haven't changed in decades.

He believes lobbyists should also be required to disclose if they are paid to influence local governments.

Lt. Governor Juliana Stratton says all of these ideas could help craft reform bills, "We're moving right along. I mean it's a big task, but we have some great information to pull from."

Closing the revolving door

Political insiders commonly use the "revolving door" metaphor when lawmakers step down and immediately become lobbyists.

Nicholas Birdsong, a policy specialist with the National Conference of State Legislatures, says most states have a one to two year cooling off period before lawmakers can become lobbyists.

"The general trend for revolving door or mandatory cooling off periods is to have longer periods, but there's a lot of variation in that as well," explained Birdsong.

He says Florida has the longest prohibition period lasting six to seven years after an individual leaves office.

"Don't act prematurely"

Since Gov. Pritzker mentioned this as a top priority, some at the Capitol are asking why lawmakers are waiting to pass a revolving door plan.

House Majority Leader Greg Harris (D-Chicago), who also serves as Co-Chair for the Commission, says the group has to make sure the ideas they present are effective.

"There's a lot of nuance and detail that are coming out from these groups," Harris said. "So to me, it's making sure we've heard all the input from the public and the reform groups who have ideas to be sure that we don't act prematurely."

Harris mentioned the Commission still has time to meet and work on their suggestions before the end of March. The Commission will meet again on February 5.

### New lobbying regulations could create problems for citizens talking to state legislators

In late December, Secretary of State (SOS) Jenna Griswold issued <u>new lobbying rules</u> that may put private citizens at risk of being legally sanctioned if they don't follow the complex regulations, with one former SOS staffer calling the rules potentially unconstitutional.

Lobbying roughly means communicating or asking others to communicate with a wide range of state public officials including the Governor, any member of the state legislature and others involved in creating legislation.

It covers virtually any communication with those officials "whether or not the general assembly is in session" that involves any "bill, resolution, amendment, nomination, appointment, or report, whether or not in writing, pending or proposed for consideration by either house of the general assembly or committee thereof."

The statutory definition of lobbying has been on the books for a long time, but it has traditionally only applied to professional lobbyists who are paid to discuss such matters with officials and their client's employees.

The rules Griswold issued are found in the Colorado Code of Regulations (CCR), have the force of law and can be changed by the SOS without legislative action. But they also are subject to state law found in the Colorado Revised Statutes (CRS).

The regulations often refer to the statutes for definitions and other details. These recursive references can make interpreting rules quite complex. The way regulations are drafted and issued can lead to conflicts with the statutes and even the Constitutions, both state and federal.

Traditionally, private individuals who discussed legislation with officials on their own behalf, say over a cup of coffee in their district, were exempt from the definition of "lobbying" in the rules.

The previous rules explicitly excluded "a political committee, volunteer, lobbyist, or citizen who lobbies on his or her behalf" from the definition of lobbying for the purposes of regulation by the SOS.

This meant that such conversations were not subject to complaints of illegal lobbying being filed with the SOS

The new rules repeal that language and create two new categories exempt from the definition of lobbying.

The rules exclude people who testify at or are called before a committee who "clearly identify themselves and the interest for whom they are testifying or providing information," but there is no clear exemption for private citizens who contact officials about legislation outside of committee hearings like the previous language did.

The first new category is called "grass roots lobbying." It applies to "employees of an organization" not "paid solely to lobby."

The language appears to say that employees of an organization like the Sierra Club or the National Rifle Association can talk with only one legislator only once per year.

Violating that rule opens the organization and the individual up to complaints, investigations and enforcement actions by the SOS that triggers wide powers of investigation, including the power to subpoena financial records and documents like donor lists from the organization.

In a 2017 case under the old rules, the SOS sent an advisory letter to the paid director of an education reform advocacy group about a complaint that he had been seen speaking with legislators on numerous occasions outside of the presence of the organization's registered lobbyist. The letter from the SOS advised the director he should register as a professional lobbyist if he intended to speak with legislators alone.

The other category is "volunteer lobbyist," defined as "any individual who engages in lobbying" who gets nothing more than reimbursement for expenses.

That ambiguous definition of volunteer lobbyist as "any person" could sweep private individuals within the rules merely for meeting with their district representative in an informal setting to discuss their concerns and potential language for future bills, which former Deputy Secretary of State Suzanne Staiert suggests is unconstitutional.

Staiert told Complete Colorado that lobbyist regulation has always been limited to paid lobbying.

"I think the only lobbying that [the state] can regulate under the First Amendment is paid lobbying," Staiert said. "Otherwise the definition of lobbying would be so expansive that it would capture anybody's conversation or communication with their own legislator over issues that are personal to them; you're right to political speech, your right to advocate for yourself, your neighborhood, your children."

#### <u>DeSoto officials mired in fraud scandal also took AT&T freebies to attend dinners,</u> audit shows

Two weeks after DeSoto officials Candice and Jeremiah Quarles took a controversial Disney World vacation funded largely by taxpayers, AT&T gave the couple free tickets to two exclusive Cotton Bowl dinners, a <u>forensic audit shows</u>.

It was December 2015, and Jeremiah Quarles, then head of economic development for the city, jumped at an offer to attend one hosted by the Dallas Cowboys, writing back in an email: "You know I'm there!"

He also told the AT&T representative that his wife Candice, who at the time was on a city zoning board and five months away from winning a seat on the city council, would be accompanying him to both events.

DeSoto ethics policies prohibit officials from accepting gifts worth more than \$50 to avoid improper outside influence over their public duties. The ethics rules also warn officials to avoid practices that could be perceived as a conflict of interest.

AT&T competes for major telecommunications services contracts that depend on the approval of city officials. Tickets to the two dinners each carried a \$75 face value at the time, according to a Cotton Bowl official. But they also provide intangible perks, such as access to star athletes and networking opportunities. Sponsors such as AT&T often use the events to schmooze with customers.

The emails, released this week as part of a long-awaited forensic audit of the economic development corporation's finances, adds to the growing list of personal benefits the couple received as city representatives.

The new finding also underscores residents' concerns that after a four-month internal investigation they still may not know the full scope of the couples' gains. Auditors disclosed <u>in December that Jeremiah Quarles bilked the city of \$140,000</u>. That was far more than the \$9,000 he was prosecuted for stealing last year; about \$4,000 paid for his wife's membership fees to civic organizations.

The emails show that Jeremiah Quarles accepted the AT&T tickets on behalf of the couple, which auditors highlighted as an ethics violation. It is unclear whether the couple actually attended the events. The Quarleses did not respond to requests to comment for this story.

DeSoto's city attorney said he does not have enough information to determine whether Candice Quarles violated the city ethics policy.

But former DeSoto officials say the findings are troubling.

"It's an embarrassment," said Michael Hurtt, former mayor of DeSoto who said he turned down such gifts. "If you're comfortable doing something like that, something is wrong and you need ethics training. If I were Candice Quarles, I would have resigned by now."

Big concern goes unaddressed

The audit does not shed light on one of residents' biggest concerns: whether Candice Quarles knew about or played a role in her husband's embezzlement of city funds several years ago.

In recent weeks, DeSoto officials have refused to answer questions from The Dallas Morning News about whether city officials even directed auditors to investigate her potential involvement by analyzing records such as her city emails or interviewing potential witnesses.

It appears they did not.

This week a spokesman said the auditors' contract outlines the scope. The agreement is vague on that question.

"Given their extensive experience, the auditors were more than able to determine the best way to examine the records, the equipment, and the issues at hand," said spokesman Matt Smith.

DeSoto residents demanded officials hire auditors after The News revealed in July that <u>Candice</u> <u>Quarles had profited from her husband's theft</u>. He pleaded guilty last year, receiving probation. She denied wrongdoing.

Even though Jeremiah Quarles told DeSoto police his wife knew of one illegal credit card charge, the department's investigators and the Dallas County district attorney office did little to investigate his wife, The News found.

The mayor also had kept the councilwoman's gains secret for more than two years, and told the city manager to stay mum, he said.

As residents' concerns have intensified in recent months with calls for her ouster, the councilwoman has refused to answer questions. Last week, she made her first public comments, announcing she had passed a polygraph test administered by a private examiner. She also said she would not step down, puzzling many residents.

In December, auditors informed city officials they found that Jeremiah actually had pilfered the \$140,000 in public funds - tied to personal trips such as the Disney junket, a \$97,000 severance package he should not have received, and other unauthorized expenses - before he left his job in December 2016. The auditors have advised the city to weigh recouping the money through legal action.

The auditors also raised concerns that Jeremiah Quarles bypassed the board by shelling out \$3,000 in tax funds for sponsorships and other items tied to the Urban League of Greater Dallas Young Professionals, a group his wife headed for years.

On Monday evening DeSoto city officials are hosting a town hall meeting to discuss and answer questions about the audit's findings.

The turnout is expected to be large, according to community leaders who say the audit's lack of focus on the councilwoman's potential involvement in her husband's fraud is stunning and raises serious questions.

Candice to AT&T: "Call me"

References to the AT&T gifts showed up in Jeremiah Quarles' old emails. The tickets were delivered to him by an AT&T official who handled government affairs work, the auditors said.

The offers came during a week of festivities celebrating the 2015 Goodyear Cotton Bowl Classic featuring Michigan State v. Alabama. Quarles took the tickets, noting he was a Michigan State alum.

One party, at AT&T Stadium in Arlington to fete both teams, was hosted by the Dallas Cowboys and its cheerleaders.

The other event, a "Big Play luncheon" at the Hilton Anatole in Dallas also hosted both teams' players and offered "a great chance to rub shoulders with some of the best in college football and take home a souvenir or two," according to a Cotton Bowl website.

In emailed RSVPs to both events, Quarles said his wife would be going with him.

Five months later, shortly after she was elected to the DeSoto city council, Candice Quarles posted on Twitter that she would be interested in serving on the board of directors for AT&T or two other major corporations.

"Call me," her tweet said.

#### JCOPE proposes differing treatment for lawmakers' charities

Each year, influential special-interest groups with business before the state Legislature give hundreds-of-thousands of dollars to a nonprofit run by state politicians.

The setup of the charity, the NYS Association of Black & Puerto Rican Legislators, in ways mirrors a nonprofit founded in 2013 to push the legislative agenda of New York City Mayor Bill de Blasio. While the de Blasio nonprofit has been subjected to continuing investigation by New York's ethics and lobbying regulators, that doesn't mean the minority association will get the same scrutiny.

In a draft advisory opinion issued last week, the Joint Commission on Public Ethics apparently sought to "thread the needle" to cover de Blasio's activities, while exempting the association, said David Grandeau, a lobbying compliance lawyer and frequent JCOPE critic who had spent a dozen years as New York's top lobbying regulator.

The JCOPE opinion said New York lobbyists or their clients – which have given millions to both the de Blasio nonprofit and the association – are "presumptively prohibited" from giving a "gift to a third party, even a charity, at the behest of a public official."

But if that entity is a "long-standing charity," that fact would "likely overcome" JCOPE's presumption that the donation is an illegal gift, the opinion stated, adding that those entities would receive "less scrutiny."

The association, which consists of dozens of minority legislators from the state Senate and Assembly, including both chambers' powerful leaders, was founded in 1985 and is a tax-exempt charitable 501(c)(3) organization.

Asked how the draft advisory opinion applied to the association, JCOPE spokesman Walter McClure said he "can't comment on a specific situation, but the decision clearly covers donations to and solicitations on behalf of not-for-profits."

Good-government groups have longed charged that the Albany politicians that appoint JCOPE's 14 commissioners – the governor and state lawmakers – have undue influence over its operations. An attorney for de Blasio, who gets no appointees to JCOPE, has argued that JCOPE's probes have been politically motivated by the mayor's long-running feud with Gov. Andrew M. Cuomo, who appoints six of them. Assembly Speaker Carl E. Heastie, a member of the association, has three appointees on the panel.

While the self-described "main mission" of the association has been charitable – to fund scholarships for needy youth – most of the money in practice has gone to parties, receptions thrown by lawmakers, meals, prominent performers and speakers, and other logistical concerns including limousine trips at the annual three-day "Caucus Weekend" retreat hosted at an Albany hotel each February.

Amid media scrutiny, and with the nonprofit's tax returns now under review by the state attorney general's office, the association stated on a recent tax filing that its real purpose is engaging New Yorkers in "discussions" about policies impacting communities, while no longer mentioning scholarships.

The purpose of de Blasio nonprofit, called the Campaign for One New York, was explicitly to push the mayor's legislative agenda. Unlike the association, it is not registered as a tax-exempt charity, but rather an issue-oriented 501(c)(4) nonprofit.

The JCOPE draft advisory opinion issued last week said a "longstanding charity" formed under section 501(c)(3) of the Internal Revenue Code would be "subject to less scrutiny than a 501(c)(4) corporation which engages in advocacy before a public official." An organization like de Blasio's, "recently formed in coordination with a public official to support specific policy goals, or to serve largely political ends" would "raise concerns."

In June 2014, after de Blasio's lobbying nonprofit began operation, JCOPE enacted a regulation that barred a lobbyist or their client from donating to a charitable organization "on behalf of or at the direction of, a public official." That was a significant departure from past lobbying regulators' interpretation of the "gift ban" law, which focused on gifts given directly to public officials such as free meals, plane trips or sporting event tickets.

Though de Blasio's nonprofit shuttered in 2016, JCOPE has continued to pursue its donors, with a number paying hefty settlements to close the investigations. (One de Blasio donor is now fighting back with a lawsuit, arguing the Legislature never gave JCOPE authorization to redefine what "gift" means.)

One factor JCOPE has cited in pursuing de Blasio donors is the mayor's personal solicitation of donations for the nonprofit. State lawmakers, meanwhile, have personally raised funds for the minority association.

JCOPE has also extensively investigated a longtime de Blasio supporter, lobbyist James Capalino, for raising \$100,000 from his lobbying clients for the de Blasio nonprofit, then in 2015 arranging a breakfast meeting between those clients and the mayor. Capalino reached a \$40,000 settlement with JCOPE in 2018 and admitted no wrongdoing.

A top Albany lobbyist, Patrick Jenkins, has solicited donations from his lobbying clients for the association. Unlike Capalino's fundraising for de Blasio, Jenkins has fundraised for the association in a paid capacity: In 2017, according to tax records, Jenkins was retained as a fundraiser for the association at \$15,000 a year for duties including identifying and meeting with potential donors, and arranging their "sponsorship" packages for the weekend retreat. In the first year Jenkins became the fundraiser, according to the tax return, the association's contributions spiked dramatically, from \$499,000 to \$751,000.

While most of the association's donors are not listed in public records, tax records show that a Jenkins lobbying client, pro-charter school group Education Reform Now, in 2018 gave \$7,500 to the association. Jenkins' firm has later reported lobbying lawmakers who are also association members on behalf of Education Reform Now. Jenkins' lobbying firm also was the "platinum" sponsor for the kickoff cocktail reception beginning the 2018 Caucus Weekend.

Jenkins, a longtime close friend of Heastie's, has seen his lobbying business explode since Heastie became Assembly speaker in 2015. He also doubles as a campaign consultant for Heastie and several other members of the association, including its chairwoman, Brooklyn Assemblywoman Latrice Walker.

A spokesman for the association, Hank Sheinkopf, said that the charity had never gotten an opinion from JCOPE about whether state lawmakers could fundraise for the nonprofit, or about the permissibility of Jenkins' fundraising work.

The former chairwoman of the association, ex-Queens Assemblywoman Michelle Titus, told the Times Union in 2017 that elected officials that serve on the charity's board cannot raise money for the nonprofit.

Titus said special interests' sponsorship of the annual conference posed no conflict. That's because the money goes to the charitable organization, which besides the entertainment pays for the educational and fundraising events, she said.

Based on available public records, the biggest known donor to the association appears to be the political action committee of the New York State United Teachers union, which since 1999 has given more than \$300,000.

At last Tuesday's monthly meeting of JCOPE's board, Chairman Michael Rozen held off on a vote on the advisory opinion after some commissioners raised questions about the language. One of them was Commissioner Gary Lavine, a Senate Republican appointee, who pinpointed the language about charities receiving less attention from JCOPE.

"Why are we saying the 501(c)3 will be subject to less scrutiny?" Lavine said. "What I object to is 'less scrutiny."

# <u>Lobbyists tried to pay for Mayor Lenny Curry's trip to Atlanta to watch baseball game with JEA's former CEO</u>

Curry said in an interview that campaign finance laws allowed him to accept the gift through the political committee, Conservatism Counts, although he said he decided to personally pay for the trip in December. Former JEA CEO Aaron Zahn and City Council President Scott Wilson also attended.

A company run by Tim Baker and Sam Mousa, two lobbyists who have both worked for Mayor Lenny Curry, organized and attended a secret trip to Atlanta on a private plane to watch a playoff baseball game along with Curry, his top administrator Brian Hughes, JEA's then-CEO Aaron Zahn and City Council President Scott Wilson.

Curry, who cannot accept gifts from lobbyists worth more than \$100, said he initially covered his \$400 portion of the trip by accepting it as in-kind contribution from Baker and Mousa's

company, Conventus LLC, that was made in October to an obscure political committee that has no official ties to Curry or his political campaigns. He said he decided in December to personally pay for the trip.

The \$400 payment for the Oct. 4 trip included Curry's share of the same-day, round-trip private flight to Atlanta, ground transportation, and a ticket to Game 2 of the Atlanta Braves' Division Series against the St. Louis Cardinals that included a seat several rows behind the third-base dugout and access to an exclusive lounge that offered unlimited food, beer and wine.

Records obtained by the Times-Union show that Zahn recalled paying a higher amount than Hughes, Curry and Wilson. Zahn told city attorneys during sworn testimony last month that he paid \$500 for the airfare and \$250 for the ticket. Hughes, Curry and Wilson said they each paid \$400 for the entire trip.

Wilson, who is also barred from receiving gifts worth more than \$100 from lobbyists, said he didn't receive an invoice for the Oct. 4 trip from Baker and Mousa's company until Dec. 29. He said he wrote the company a \$400 check after receiving the invoice that was cashed on Jan. 22.

Baker said in a text message that the face value of each ticket, which included access to the Delta Sky Club lounge, was \$150. The Atlanta Journal Constitution reported the cost for a Delta Sky Club ticket was \$280 to \$300 per game in the Divisional playoff series.

Curry said in an interview that campaign finance laws allowed him to accept the gift through the political committee, Conservatism Counts, although he said he decided to eventually personally pay for it in December after Wilson called him several times asking how he should pay for his portion.

"After the third call, he told me he was going to get an invoice. I decided to write a check myself," Curry said. "He was pretty amped."

Curry said the only discussion about JEA he had with Zahn was urging him to increase transparency in JEA's sales negotiations. At the time, the names of the companies trying to buy JEA were confidential, and JEA officials were prohibited from sharing many details with anyone outside the organization.

Curry said he didn't see any issues with a company that actively lobbies City Hall covering his expenses for the trip or using a political committee to pay for him to attend a sports event.

"A number of lobbyists have raised money for me," he said.

When asked why he used an obscure account to cover the trip's costs and what fundraising activities resulted from discussions he had during the trip, Curry referred questions to Baker, who has said he no longer has a contract to work for Curry.

Baker said in a text message that Curry's new political committee, Securing Florida's Future, wasn't operational at the time of the trip, so Curry used the other committee to raise money.

It's unclear how the committee became connected to Curry.

State records show the Conservatism Counts committee was formed in 2016 by William S. Jones to a Tallahassee address that is also listed as the address of a lobbying firm, Tidewater Consulting. The paper work lists no affiliated committees. In the section required to identify all candidates the committee intends to support, Jones stated "to be determined."

The committee has raised \$438,000 and spent roughly the same. The committee has made contributions to a number of candidates, including a \$1,000 donation during the city's 2019 election to Jacksonville City Councilman Terrance Freeman. It also paid \$8,600 to Data Targeting Research LLC, a political consulting firm run by Baker.

Wilson said Curry invited him to see the game and he didn't know Baker, Mousa, Hughes and Zahn were attending until they arrived at Craig Airport on an early Friday afternoon to board the plane.

He said the trip wasn't intended to be business related, although he said Curry told him they needed to encourage Zahn to release the identities of the companies that were trying to buy the city-owned utility. Curry denied having those conversations.

Wilson said he didn't hear any other conversations about JEA's now-abandoned privatization efforts. The only other official business he recalled being discussed was the entertainment venue adjacent to the stadium, which is a similar concept to the one Shad Khan has proposed building on Lot J.

"It was going to be a fun trip. It wasn't meant to be anything business-wise," Wilson said.

Wilson said he believes \$400 could possibly be below the true value of chartering a private airplane to Atlanta and purchasing an all-inclusive ticket to a post-season baseball game, although at the time he accepted the invoice at face value.

Wilson said the trip didn't influence his decision-making as an elected official, but he now regrets attending.

"There were lobbyists there. I didn't do anything illegal. I paid for the trip, but I wish I wouldn't have gone," Wilson said.

Baker worked as Curry's top political strategist for his 2015 and 2019 election campaigns. Mousa worked as Curry's top administrator until he retired last July, although he continued working for Curry as a consultant until Dec. 31. Baker and Mousa are both registered with the city as active lobbyists representing roughly a dozen companies.

Baker provided advice to JEA related to its efforts to sell JEA and arranged a meeting between JEA officials and a St. Johns County Commissioner to discuss their option to purchase the utility's water rights in the county. JEA officials have said Zahn tried to hire Baker but that JEA ultimately didn't end up paying him for his services.

Two former City Council members said Baker set up meetings with a Florida Power and Light lobbyist when JEA first discussed interest in privatization in 2018. Baker has said he didn't work for any entities trying to buy JEA.

Florida Power and Light's parent company, NextEra, submitted a bid to purchase JEA in 2019 and was considered the front-runner.

Mousa, who didn't return a message seeking comment, has refused to say whether he's working for Florida Power and Light or NextEra.

City attorneys asked Zahn about the Atlanta trip during a Jan. 22 interview as part of their investigation into his conduct as JEA's CEO, which found evidence of two dozen instances of misconduct and prompted the board to fire him for cause.

The city's Ethics Commission sent a letter to Hughes on Jan. 23 requesting information about the trip. The letter stated that there hasn't been a formal ethics complaint filed.

In response, Hughes said he paid Baker \$400 in cash to cover his share of the expenses. He said he had no recollection of discussing JEA's privatization efforts with Zahn.

## <u>Mattiello And Ruggerio's Campaign Spending On Food & Drink Has Surged During Their Leadership</u>

Hundreds of state lawmakers, lobbyists and political supporters packed the Crowne Plaza Hotel in Warwick during a fundraiser last week for House Speaker Nicholas Mattiello. With a suggested contribution of \$200 per person, the event brought in more than \$100,000.

"According to some, it's probably -- probably -- the best turnout we've ever had," Mattiello said as he greeted guests near the entrance to a function room.

A lot of the money raised at events like this will pay for the cost of running for office. But a surprisingly large amount goes for the finer things associated with political power at the Statehouse. We're talking about the wining and dining.

Mattiello and Senate President Dominick Ruggerio drop a lot of cash at restaurants like the Capital Grille, Camille's, Chapel Grille and the venue formerly known as Waterplace. They provide food for campaign volunteers and pick up the tab for their members during events like Christmas parties. They pay to stage fundraisers to replenish their campaign accounts.

This adds up over time. Since their first filings for this expense in 2007, Ruggerio and Mattiello have spent a total of more than \$630,000 in campaign funds on food, beverages and meals, a review by The Public's Radio shows. (Mattiello maintains a slight lead in this spending, with a total of \$342,000, compared with \$291,000 for Ruggerio.) Their combined total climbs to more than \$700,000, with the addition of spending by leadership-controlled political action committees.

John Marion, executive director of the good government group Common Cause of Rhode Island, said this spending reinforces the rule of the Democrats who control the General Assembly. He calls it "a good example, sort of, of how power works in the state of Rhode Island."

"That's because the money, particularly from lobbyists, is flowing to those who have the power to make decisions -- who hold the fate of legislation in their hands," Marion said. "And then the legislative leaders can use that to maintain their coalition of support and maintain power. There's a feedback loop, essentially."

This kind of spending has soared since Ruggerio and Mattiello moved into their top leadership posts.

Mattiello's spending of campaign contributions on food and drink has multiplied more than seven times, to an average of almost \$50,000 a year, since he became speaker in 2014. And Ruggerio's average spending has increases almost five-fold, to \$52,000 a year, since he became Senate president in 2017.

Mattiello called these food and drink expenses an unremarkable part of Statehouse life.

"It's just doing the business of the people of the state of Rhode Island," he said. "We never use state dollars for that. We always use donated money and it's great for collaboration and helping us get our work done."

Ruggerio offers a similar view. He questioned whether spending tens of thousands of dollars in campaign contributions each year on food and drink reinforces his political power.

"I don't know if it does or it doesn't," he said. "I just think it's a common courtesy. We've done it before. I know my predecessor spent money on the senators .... It's kind of like the normal thing to do."

But The Public's Radio analysis shows that Mattiello and Ruggerio's campaign spending on food and drink also surges in election years: Since becoming speaker, Mattiellio has spent an average of \$61,000 in election years, compared with an average of \$38,000 in non-election years. For Ruggerio, the comparable figures are \$63,000 and about \$46,000.

Having a stocked campaign account can offer some insulation against political controversy. Mattiello has been in the spotlight recently for ordering an audit of the Rhode Island Convention Center and then scrapping the request after it became an ongoing story.

Another finding: From at least 2007 to 2016, Ruggerio listed two credit cards, Discover and American Express, as the expense for more than \$60,000 in spending, much of it for "food, beverages and meals," without specifying the precise source of the spending, on finance reports filed with the Board of Elections.

Ruggerio said he can account for all of the spending. The Public's Radio asked two weeks ago for documentation for a handful of the credit card expenses. Ruggerio spokesman Greg Pare said that some of the data may be beyond the required retention date, and he was not able to provide further details as of this week.

Stephen Erickson, vice chairman of the Board of Elections, said the issue in similar cases has been with the board's reporting system, rather than the information provided. He said the board hopes to improve its reporting system.

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In Rhode Island, the General Assembly and its leaders are particularly powerful compared with counterparts in other states. That's partly due to how things were set up hundreds of years ago in the state Constitution. And it explains why Mattiello and Ruggerio's campaign accounts are flush with hundreds of thousands of dollars, while rank and file lawmakers' accounts generally have just a few thousand dollars.

The tradition of legislative leaders spending a lot of campaign money on food and drink can be seen in how the top two two spenders since 2002, after Mattiello and Ruggerio, are former speaker William Murphy, now a lawyer and influential lobbyist, and former Senate president Teresa Paiva Weed, now president of the Hospital Association of Rhode Island. Murphy racked up about \$200,000 in such spending, and Paiva Weed a bit less than that.

Rounding out the top 10 of biggest spenders of campaign contributions on food and drink over the last 18 years: former attorney general Patrick Lynch; the RI Democratic Party; Gov. Gina Raimondo; former speaker Gordon Fox; Rep. Stephen Ucci of Johnston, a senior deputy majority leader; and Senate Majority Leader Maryellen Goodwin of Providence.

When it comes to policing campaigns, the agency responsible for that, the state Board of Elections, has emerged as a stronger watchdog in recent years. But if there's no sign of wrongdoing, the board gives politicians virtually unlimited discretion to spend campaign money on food and drink.

That's because Rhode Island politicians can spend this money for – quote – "an ordinary and necessary expense" if it's part of their responsibilities as a candidate or officer holder. But the Elections Board does not define what constitutes an ordinary and necessary expense.

"We don't get into that level of detail in the regulations," said BOE Vice Chairman Stephen Erickson. "That's statutory language and we may have further information requests in the context of an audit, but not in terms of regular day to day operations."

But Common Cause of Rhode Island's John Marion said there's a big gap between the fancy meals enjoyed by lawmakers on leadership's dime at places like Capriccio, where the cost of steaks runs from almost \$40 to \$66, and the "ordinary and necessary expense" called for in state regulations.

"And I think the public has to ask itself, 'Is a dinner at Capriccio an ordinary dinner, or is that an extraordinary dinner?' " Marion said. "And I've been married long enough to know that going to a fancy restaurant is not an ordinary event."

State GOP Chairwoman Sue Cienki is among those troubled by General Assembly leaders' big spend of campaign money on food and drink.

"My first thought is that they're currying favors, that they're using their campaign finances to go and curry favor with other legislators, with maybe lobbyists," she said.

Cienki said the spending shows that public business is taking place in private settings, possibly with an impact on the outcome of legislation.

"You go out to dinner, you meet somebody on a different level - it may sway your vote one way or the other. So is it really the way that we should be doing business?" she asked.

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Ruggerio concedes lawmakers talk about bills during their eating and drinking outings away from the Statehouse, but he's not troubled by that.

"Actually, it's kind of social," he said. "You might have a couple of senators that might be sitting, talking about a piece of legislation. It's not a situation, like a caucus or something like that where we're all talking about one piece. It's just more of a relaxed, casual atmosphere."

Mattiello rejects the notion that lawmakers may be obligated to him if he's taking them out for fancy dinners.

"No, it absolutely doesn't increase my power, and that's not what it's intended to be for," he said. "It's for collaboration. People have to like you and trust you and give you their support first, and then you work on collaborating with them. But I've already earned their support and their trust."

The legislative leaders say their spending of campaign contributions on food and drink reflects the long hours spent by lawmakers at the Statehouse. Some of it goes for working meetings with

other elected officials or to thank the members of legislative committees for their work each session.

But legislative leaders sometimes buy their members meals while asking for their support.

In November 2018, for example, Mattiello staged a closed Democratic meeting at Chapel Grille in his hometown of Cranston. He picked up the tab while collecting an unofficial tally on how many Democrats would back him for another two-year term as speaker. Mattiello cites this as an example of why he's spent so much in campaign contributions on food and drink for lawmakers.

"Those are the types of things," he said. "I mean, if you're going to invite a large group of people to attend a meeting at dinner time, you better have food and drink for them or they're not going to be very happy. That's just expected in every aspect of society."

Barring a groundswell of activism, things are unlikely to change in Rhode Island.

Back in 2005, Common Cause launched a campaign to challenge the power of money in Rhode Island elections. The idea was to use public contributions to create a more level playing field for candidates, with the hope of sparking more competition. But the U.S. Supreme Court's Citizens United ruling in 2010 expanded how interest groups can spend during elections, and other court cases undermined the push for publicly financed elections in Rhode Island.

Some polls show that Americans would like to decrease the influence of money in politics.

The status quo, however, offers a boost to legislative leaders like Speaker Mattiello and Senate President Ruggerio, since their spending of campaign contributions on food and drink goes up significantly in election years.

For example, Mattiello's year-to-year food- and drink-related spending, surged by \$14,000 in 2016, to \$58,00. That was the year when he defeated a GOP challenger for his state rep seat in Cranston, Steve Frias, by just 85 votes.

#### New Jersey's male-dominated government reckons with #MeToo

Women have whispered for decades about sexual harassment and worse from some male elected officials, lobbyists and others in New Jersey politics. Now victims are leading a <u>#MeToo</u> wave, to swift effect.

A former aide is using her experiences on Governor Phil Murphy's election campaign and as a Fox News commentator in a national drive for limits on workplace non-disclosure agreements. And two lobbying groups are promising a safer atmosphere for women after reports of groping and other inappropriate behavior at the groups' networking events.

In the coming weeks, a panel including lawmakers, lobbyists and victim advocates will hold listening sessions to solicit remedies to what Senate Majority Leader Loretta Weinberg calls "a toxic climate" for women in and around New Jersey government. Its work will be guided in part by an anonymous survey on misogyny and sexual misconduct that received 170 responses in its first 24 hours online.

"There are guys who are worried because they know what they have done," Jeannine LaRue, a 40-year veteran of New Jersey government and lobbying who is on the panel. "With the limelight on this, people are now policing their behavior."

Women are central to the state's tough-customer identity, with "Jersey girl" culture immortalized in a Bruce Springsteen song and innumerable bumper stickers hailing sassy self-reliance. In the state legislature, though, Jersey girls are under-represented: 31% of the seats are held by women, just 2 percentage points higher than the 50-state average, according to the National Conference of State Legislatures.

New Jersey politics is entrenched in a system where party leaders reward loyalists with prominent ballot spots and campaign cash. Former state Senator Barbara Buono, a Democrat who lost the governor's race to Republican incumbent Chris Christie in 2013, slammed her own party's bosses in her concession speech.

"New Jersey represents the last vestiges of the old-boy machine politics that used to dominate states across the nation," Buono said.

Today, the governor and the two highest-ranking state lawmakers are male, as are the heads of the New Jersey Democratic and Republican committees. Of 42 county party leaders, nine are women.

"It's very hard to break ranks with the machine and still be able to run a viable campaign," Patricia Teffenhart, executive director of the New Jersey Coalition Against Sexual Assault, said in an interview. Teffenhart is a member of the Workgroup on Harassment, Sexual Assault and Misogyny in New Jersey Politics, the listening panel that will start its tour this month.

Murphy, a Democrat, made a particular appeal to women while campaigning for governor, and women's group endorsements helped him defeat his female opponent, Republican Kim

Guadagno. Since coming to office in January 2018, he has made good on promises to better women's lives, including restoring health-care funding, boosting government roles, improving work conditions and increasing business opportunities.

A month after he became governor, Murphy said that his Cabinet would be majority women for the first time in New Jersey's 242-year history. Today, 13 of 25 appointed Cabinet members are female. His running mate and lieutenant governor, Sheila Oliver, also is head of the community affairs department.

But Murphy's circle has been struck by allegations of impropriety toward women by male aides working on his campaign. Last year, a special legislative committee found that Murphy's staff had mishandled a report of sexual assault by a volunteer against a staffer. Two other women have said one campaign aide had a violent temper, with one saying he threw a chair in her presence.

A fourth woman, Julie Roginsky, a veteran Democratic strategist for state and national candidates, alleges that while working for Murphy, she was called a gendered slur by campaign manager Brendan Gill. She was fired, she said, after she complained to Murphy.

"I told him I never had a more toxic campaign experience in all my years, and this was setting an awful precedent for how his administration was going to go," Roginsky said in an interview.

Gill, who holds elective office as an Essex County freeholder, says the two had disagreements. He had used vulgarities, he says, but he never directed a slur at her.

"It's a bald-faced lie," Gill said in an interview. "I worked on eight or nine races with her over 20 years, with never an ounce of an allegation, or an issue with behavior."

Murphy, in a statement, said the issue was "a personnel matter between two senior members of my team rather than relating to a larger workplace issue." During a Jan. 29 appearance in Jersey City, the governor told reporters that he had read and acted on Roginsky's complaint at the time.

"I read the email and made sure that it was followed up on," he said. "We took every person who raised their hand — everything seriously, deadly seriously. And everything was investigated thoroughly."

Roginsky settled harassment claims against Fox News in 2017, a year after a similar lawsuit was settled by her former colleague Gretchen Carlson. She is using her experiences to spotlight how non-disclosure agreements can prevent workplace victims from airing their grievances.

In December, several women told the news site NJ.com that they had been the targets of groping, lewd comments and other bad behavior during boozy annual networking events sponsored by the New Jersey League of Municipalities and the New Jersey Chamber of Commerce, two of the state's biggest lobbying groups. Both organizations said they will alter the programs to foster a safer environment for women.

"For too many years, too many people in power have turned their eyes away from behavior they knew was not only happening, but was pervasive in Trenton," Murphy said in his annual address to the legislature on Jan. 14.

Last year, Murphy signed legislation co-sponsored by Weinberg, the Senate leader from Teaneck, to prohibit employers from using non-disclosure agreements to silence workplace harassment victims. Such documents have stifled details in high-profile cases involving President Donald Trump, Hollywood producer Harvey Weinstein and others.

The upcoming New Jersey forums, Weinberg says, are fueled in part by increased awareness about unacceptable behavior.

"It is hopefully giving some confidence to younger women — that they can speak up and there will be a cadre of us to work as best we can to protect them from being retaliated against," Weinberg said.

LaRue, a senior vice president of Ewing-based lobbying firm Kaufman Zita Group and a former Casino Control Commission member, said she was harassed, physically and verbally, from the start of her Trenton career. She pointed to the changes in store for the networking events as evidence of a burgeoning cultural shift.

"I was 29 when I started in this business," LaRue said. "I had to just keep fighting and hitting people's hands from my butt. These young women in their 20s — do they really have to wait two to three decades before they can just walk into the statehouse?"