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Talking Points Memo

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GOP Lobbyist Who Held Fundraiser For Rick Gates Calls Judge ‘Stalin-esque’

<http://talkingpointsmemo.com/muckraker/burkman-judge-gate-stalinesque>

A federal judge’s evident annoyance that Rick Gates participated, via a pretaped video statement, in a fundraiser last week did not stop the organizer of the fundraiser from taking a swing at the judge.

“The actions by this judge to curtail First Amendment free speech rights are nothing short of Stalin-esque,” GOP lobbyist Jack Burkman, who is known for inserting himself in conservative causes célèbres, said in a statement Thursday. “I stand by what I said that night and my inalienable right to be able to say it.”

U.S. District Court Judge Amy Berman Jackson had ordered Gates to explain how the video appearance is not a violation of the gag order she had placed on his case. Gates, a former Trump campaign aide, defended taping the video in a court filing Wednesday and indicated he would like to film more videos for future fundraisers for his legal defense fund.

Gates — along with his longtime business partner, former Trump campaign chair Paul Manafort — is facing charges of tax evasion, money laundering and failure to disclose foreign lobbying. Both men have pleaded not guilty, as part of Special Counsel Robert Mueller’s Russia probe.

Burkman held a fundraiser for Gates’ legal defense fund last week at a Holiday Inn in Virginia, just outside of Washington. Gates, in his video statement, thanked the attendees for supporting his “cause” and Burkman for “ensuring supporters from across the United States hear our message.” Burkman, meanwhile bashed the prosecutors as being “very unfair,” according to press reports.

Jackson singled out both sets of comments in her order for Gates to explain the appearance. Gates, in his court filings, stressed that Burkman was not speaking on his behalf, a point Burkman reiterated in his statement Thursday.

“No one told me to opine or make any comments—certainly not Rick Gates, a man I never met or even spoke to before the event. Any suggestion to the contrary is not only completely false but foolish,” Burkman said. “Having worked in Washington for years, I’ve known of Mr. Gates and his work. I am raising money for him because I believe that Mr. Gates must be afforded the tools necessary to mount a competitive legal defense against the government which appears to have unlimited resources to prosecute this case.”

The Detroit News
December 25, 2017

Dem's donor history includes GOP rep he wants to unseat

<http://www.detroitnews.com/story/news/politics/2017/12/25/democrat-donors-gop-upton/108917976/>

In the crowded Democratic primary in southwest Michigan, George Franklin stands out as the candidate who has given more than \$10,000 in donations over the last decade to his would-be Republican opponent, Rep. Fred Upton.

A history of contributions to both Republican and Democratic campaigns isn't unusual for a one-time lobbyist, and Franklin was vice president of worldwide government relations at Kellogg's until 2005, when he retired to start his own public affairs firm.

But Franklin's long-running relationship with Upton has drawn criticism from some Democrats, who say Upton's record isn't in sync with Democratic priorities or values, and has never been.

"Any lobbyist would tell you that political contributions reflect your interests and values, and I think George has a lot of explaining to do if he wants to represent Democrats in southwest Michigan," said Matt Longjohn, another Democrat in the race.

Paul Clements is the Democratic candidate who was running against Upton last cycle when Franklin donated \$1,100 to Upton's re-election campaign in 2015 and \$500 in 2016.

"I think that people in southwest Michigan deserve to know what part of Upton's agenda George Franklin is in support of," said Clements, who also unsuccessfully challenged Upton in 2014.

"Is he supporting Upton's big tax cuts for the wealthy? Is he supporting the many times that Upton has increased the cost of health care for people in southwest Michigan? Was he supporting Upton's eight votes to defund Planned Parenthood?"

Upton is the senior Republican in Michigan's delegation, having served in Congress since 1987. He chaired the influential House Energy & Commerce Committee until he termed out last year.

This year, six Democrats are campaigning in the 6th District — comprised of Kalamazoo, Berrien, Cass, St. Joseph and Van Buren counties and most of Allegan County — hoping to be the next candidate to take on their longtime congressman.

Franklin, who lives in Glenn, has defended his contributions to Upton.

Spokesman BJ Neidhardt stressed that Franklin is a lifelong Democrat endorsed by party leaders such as former Sen. Carl Levin, former Gov. Jim Blanchard and former U.S. Rep. Mark Schauer.

"The vast majority of his political contributions were given to Democrats, but during his career he developed friendships on both sides on the aisle because that's what happens when you prioritize getting things done over partisan bickering," Neidhardt added.

“We need more people in Washington like him, people who share our values and care about actually getting results for Michiganders.”

Neidhardt said Franklin believes Upton has drifted from a once-moderate record to “following the lead of the right wing of his party.”

“It is time for a change to someone who more genuinely reflects the mainstream values of southwest Michigan,” Neidhardt said.

Franklin grew up on the South side of Chicago, went to high school in Florida and spent a year at the University of Florida before heading to Washington, D.C., to chase his interest in politics.

He got a job working as an aide to Democratic Rep. Frank Thompson of New Jersey, who chaired the Special Subcommittee on Labor. While working for Thompson, Franklin got his college degree and went to law school at American University.

He served as election counsel for Jimmy Carter’s presidential campaign and worked for a small law firm in D.C. whose main client was Kellogg’s before the corporation hired Franklin in 1980, according to his memoir, “Raisin Bran and Other Cereal Wars: 30 Years of Lobbying for the Most Famous Tiger in the World.”

He ran Kellogg’s lobbying office in Washington and moved to Kalamazoo in 1987, continuing to work for the company through 2005.

Franklin was working for Kellogg when he began contributing to Upton as early as 1992 with a \$250 donation.

Franklin has donated to other Republicans over the years, including U.S. Rep. Joe Schwarz, state Sen. John Proos and then-House Speaker Jase Bolger. He also gave to Democrats including Sen. Debbie Stabenow and Gov. Jennifer Granholm.

Franklin contributed to both the Fund for a Republican Majority and the Democratic Majority Fund, to the House Republican Campaign Committee and to the Michigan House Democratic Fund, according to disclosure reports.

TJ Bucholz, a Democratic consultant in Lansing, said that, as one of Kellogg’s chief lobbyists, it was Franklin’s job to maintain good relationships with elected officials on both sides of the aisle.

“A donation does not always mean support, or that your organization is completely supportive of everything that candidate does, or that you personally will vote for that candidate,” Bucholz said.

But Kyle Kondik, who studies campaigns at the University of Virginia’s Center for Politics, said it’s “sort of awkward” when a candidate is trying to unseat an incumbent to whom they recently donated.

“It does give his opponents an opening to say, hey, wait a sec — is this really the right guy to be pushing the case against Upton, given that he was an Upton supporter as of a year and a half ago?” Kondik said.

“I think it’s reasonable to ask what changed in such a short amount of time.”

Kondik noted another candidate who had to answer this question often while campaigning: President Donald Trump, a Republican who donated hundreds of thousands of dollars to Democrats, including thousands to Hillary Clinton.

"This is not an uncommon thing to come up in races," Kondik said.

Democrat Andy D. Davis of Plainwell in Kalamazoo County ran unsuccessfully against Upton in 1992. Davis is still sore that Franklin, as a Democrat, donated to Upton instead of to his campaign that year.

"I was an underdog under any definition of the word. I had no money, no name recognition, but I had great political credentials, having worked for a Democrat in my district since I was a child," said Davis, who now serves on the executive committee for the Democratic Party in the 6th District.

"It was classic David and Goliath scenario, and he gave to Goliath."

Davis was once a registered lobbyist as executive director of the nonprofit West Michigan Environmental Action Council, he said.

"There's a game that you have to play to a certain degree if you're going to be a lobbyist for industry or commercial enterprises. I understand you have to make sure the door is open if you have an issue. That's what those contributions do," Davis said.

"But if you want to be my congressman, you better show that your guiding star is something other than wanting to get your foot in the door. You need to have a deeper set of convictions than that."

**The Post and Courier
December 23, 2017**

In wake of Statehouse corruption probe, lawmaker looks to expand definition of 'lobbyist'

https://www.postandcourier.com/politics/in-wake-of-statehouse-corruption-probe-lawmaker-looks-to-expand/article_458c1248-e730-11e7-97f2-1fdd6b73b946.html

The long-running investigation into corruption at the S.C. Statehouse revealed the myriad ways outside groups and companies can wield political influence on the legislative process.

mails uncovered by special prosecutor David Pascoe highlighted how the powerful Quinn family, including longtime strategist Richard Quinn and now-former state Rep. Rick Quinn, worked behind the scenes to boost the interests of the Quinn firm's clients in the General Assembly.

Now several lawmakers are examining ways to close some loopholes they believe allowed the Quinns' operation to slip through the cracks for so long.

One example is a proposal from state Sen. William Timmons, R-Greenville, that would expand the definition of a lobbyist.

Under current law, only lobbyists who have "direct" communication with lawmakers about legislation are required to register their activities. Timmons wants to amend that law to include "indirect" lobbying.

"If we expand the scope of those that have to report their activities, we could have avoided some of the issues that came up," Timmons said.

Longtime government watchdog John Crangle said Timmons will be pressed to define what exactly falls within the bounds of indirect lobbying or risk lawyers quibbling with the definition in court.

Citing the Quinns as a prime example, Timmons said what he hopes to target is when large companies that already have lobbyists also hire firms partly run by legislators to help them with public relations, effectively enlisting them in the cause.

The question, Crangle said, will be whether the Quinns' operation was an anomaly or an indication of broader problems.

"There is a problem with lobbying, I just don't know whether what the Quinns were doing extends beyond them or not," Crangle said. "I don't know if anybody else has been able to do it in a systematic way like they did."

In another bill, Timmons is hoping to provide additional funds for the state Ethics Commission, the agency tasked with enforcing infractions. He argued the agency is understaffed and does not have enough teeth to go after lawmakers that cross the line.

"Right now, it's not even like the fox is guarding the hen house," Timmons said. "Nobody is guarding the hen house."

The measure would require candidates to commit 1 percent of their campaign donations to interest-bearing bank accounts that would then go toward bolstering the ethics commission. Timmons hopes the allocation can grow the agency's budget by as much as \$400,000 a year.

The Statehouse has come under increased scrutiny for corruption before, most notably after the FBI's Operation Lost Trust string exposed rampant misconduct in the 1990s.

Crangle said a significant difference this time around is that the issue has seeped into the race for governor, with candidates battling to prove that they will come down hardest on misconduct in state government.

The State December 21, 2017

SC's corruption probe exposed a mess. Here's how lawmakers will try to clean it up

<http://www.thestate.com/news/politics-government/article191139094.html>

If the latest revelations in South Carolina's State House corruption investigation don't motivate lawmakers to strengthen the state's porous ethics laws next year, state Rep. Gary Clary isn't sure what possibly could.

On Dec. 13, the same day former state Rep. Rick Quinn, R-Lexington, pleaded guilty to misconduct in office, Clary filed a handful of proposals requiring politicians to disclose more about which special interests pay them and how they spend campaign cash.

And the Pickens Republican isn't alone in trying to address problems exposed this year by special prosecutor David Pascoe's corruption probe.

Earlier this month, state Sen. William Timmons, R-Greenville, filed several bills strengthening the State Ethics Commission and requiring secretive State House insiders, or consultants, to register above board as lobbyists.

The proposals, pitched ahead of lawmakers' Jan. 9 return to Columbia, follow a steady trickle of public corruption indictments and guilty pleas this fall.

To date, Pascoe's probe has brought indictments against six current and former legislators and Richard Quinn, the GOP consultant accused of illegally influencing lawmakers on behalf of special interests that hired his public relations firm.

While the elder Quinn's firm, First Impressions, was ordered to pay a \$3,000 fine for failing to register as a lobbyist, charges against the Columbia-based consultant were dropped when his son, Rick, pleaded guilty earlier this month.

Still, some lawmakers worry the probe has public faith in the S.C. Legislature plumbing new depths.

"If this doesn't give us a real wake-up call that something needs to be done to really police ethics in the General Assembly, then I don't know what does," Clary said.

Charges, spelled out in indictments, paint a portrait of an underground network in which the Quinns – who maintained their innocence throughout – bent the General Assembly to the will of their business clients, among them AT&T, SCANA and the University of South Carolina. Those companies also deny any wrongdoing.

Such accusations highlight the need for S.C. residents to know more about who is paying their lawmakers, some onlookers say.

"That's something that needs to be forced out into the open," said John Crangle, a longtime government watchdog who supports both lawmakers' proposals. "It's much more widespread than people expect."

One of Clary's bills would require legislators to publicly disclose the source and amount of any income they or their family members receive from contracts – including for consulting work – with special interests that lobby the Legislature.

That proposal also would require candidates to disclose more about how they spend campaign money and would block them from paying family members out of their campaign accounts.

The bill would help prevent candidates from treating their campaign accounts like personal ATMs, Clary said.

"Watch who opposes this bill," he said. "That should tell you an awful lot. I would hope that no one would oppose it."

Timmons, meanwhile, wants to strengthen the State Ethics Commission, which investigates complaints of ethics violations against public officials. Critics have said the watchdog panel is too underfunded and understaffed to catch major violations. Efforts to reach the Ethics Commission Thursday were unsuccessful.

“We’ve got a problem in Columbia. Nobody trusts us,” Timmons said.

The first-term senator says lawmakers could bolster the Ethics Commission’s budget by as much as \$400,000 a year by imposing a 1-percent tax on campaign donations and making lawmakers store those donations in interest-bearing bank accounts.

The Ethics Commission could use the new tax and interest revenue to hire additional staff, Timmons says. He has separate proposals giving the Ethics Commission easier access to lawmakers’ bank records and tax returns.

“The idea is to give them tools and resources to do their job,” Timmons said. “We have done neither, so it’s not surprising that we’re in this situation.”

A flurry of ethics bills

Among other ethics proposals that lawmakers could consider next year:

- A proposal from state Sen. Mike Fanning, D-Fairfield, requiring politicians who are kicked out of office for committing crimes to pay for the costly special elections held to replace them. Filed earlier this spring, that bill is waiting for a Senate hearing.
- A bill from Timmons expanding the definition of a lobbyist to include anyone hired to influence public policy through indirect communication with public officials or employees. The current law requires lobbyists to register only if they communicate directly with policymakers. “It expands the number of people who would have to report their activity,” he said. “That hits home with Quinn.”
- Clary’s bill blocking candidates or public officials from using campaign contributions to pay off civil or criminal fines or legal fees. “If you run afoul of the law, you’re not going to be able to use campaign funds to bail yourself out,” said Clary, a retired circuit judge.
- A bill from Clary that would prevent politicians from rewarding their recent campaign donors with government jobs.
- And a proposal from state Rep. Mandy Powers Norrell, D-Lancaster, requiring so-called “dark money” political groups who push political agendas or try to defeat candidates to reveal their donors.

**The Sacramento Bee
December 21, 2017**

Sacramento’s Sutter Health fined \$18,000 for failure to report lobbying

<http://www.sacbee.com/news/local/health-and-medicine/article191126199.html>

The Fair Political Practices Commission voted 3-0 Thursday to impose an \$18,000 fine against Sacramento-based Sutter Health because it failed to report paying \$270,000 for lobbying services between April 2015 and June 2017.

The commission could have imposed a penalty up to \$45,000, but investigators found no evidence that the health care giant intended to conceal its violations. Rather, Sutter’s nine violations of the Political

Reform Act were likely a result of negligence, said the case order filed by David Bainbridge, the FPPC's assistant chief of enforcement.

"But the violations are part of a pattern where Sutter continually failed to file reports timely over two plus years despite being aware of its obligation to do so," Bainbridge wrote in the case file.

Sutter Health said in a written statement: "The appropriate reports were filed as soon as we were made aware of the gaps between filings. We accept full responsibility and are in the process of paying the fines."

When assessing fines, the FPPC considers the seriousness of violations, intent, the pattern of behavior and the respondent's actions when apprised of potential violations.

Sutter had filed lobbyist employer reports as far back as 1998, the FPPC order said, so it would have been aware of its obligation but failed to comply even after the case was referred for enforcement. The public damage was minimized, however, because the lobbying firm, Platinum Advisors, disclosed the payments in its reports, records showed.

When paid, the \$18,000 will go into the state's general fund.