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Weekly Lobbying Articles

March 29, 2018

Dayton Daily News

March 28, 2018

Ohio Senate candidate didn't report \$50K in donations as a lobbyist

<https://www.daytondailynews.com/news/state--regional-govt--politics/ohio-senate-candidate-didn-report-50k-donations-lobbyist/VMpUmHb6hQEjzkKa7UD82H/>

U.S. Rep. Jim Renacci failed to disclose nearly \$50,000 in political contributions while registered as a Washington lobbyist starting in the late 2000s, according to an Associated Press review of federal records.

The AP review identified five reporting periods from 2008 to 2010 while the Ohio Republican was registered as a lobbyist when he either failed to file the required disclosure form or reported giving no political contributions when he had given.

Renacci, a businessman and former Wadsworth mayor, is Republicans' favored candidate to win a GOP primary and take on Democratic U.S. Sen. Sherrod Brown this fall in one of the year's most closely watched Senate contests.

Renacci's campaign said that he never lobbied. They said he was registered as the lobbyist with the consulting firm he helped launch in 2008, Smokerise International Group, as a precautionary measure.

Renacci's attorney, Laura Mills, said he "never performed any lobbying activities."

"He requested my office to deactivate him in 2009, as the entity in which he was a member never performed any lobbying and he wanted to be in full compliance of the law prior to entering into Congress," Mills said.

Mills provided the AP a form not available online that listed Renacci's lobbyist status as "inactive" as of Aug. 1, 2009. The campaign said only active lobbyists are required to disclose their contributions.

But an AP review found Mills didn't file the companion form required to deactivate Renacci's registration until 2011. Renacci's registration was terminated as of May 2011, about four months after he entered Congress.

And Renacci continued to file and digitally sign lobbyist disclosure reports, other than the two he missed, through mid-2011, as an active lobbyist would.

His campaign refused to specify why he filed the reports if, as it contended, they were not required or to address the inaccurate reporting of his contributions.

Campaign spokesman James Slepian said the campaign's position was "there would be no requirement for (Renacci) to report them since he never lobbied at any point."

Under the Honest Leadership and Open Government Act, signed by Republican President George W. Bush in 2007, federally registered lobbyists are required to disclose all federal political contributions of more than \$200.

Along with that beefed-up transparency, the law increased civil penalties for knowing and willful reporting violations from \$50,000 to \$200,000.

A senior researcher at the nonpartisan Center for Responsive Politics, which tracks lobbyists' efforts to influence congressional candidates and members, said submitting accurate lobbyist filings provides the public with its "only real source of information about how Washington is operating, and how government officials are being influenced and/or supported."

"It's somewhat self-policed, so we rely on the filers to file honest and accurate reports," researcher Dan Auble said.

Federal Election Commission reports show Renacci gave \$26,875 in federal donations to other Republican candidates and party organizations that he didn't disclose on lobbyist forms and \$17,450 to his own campaign.

AP's review found that Renacci:

- Filed no disclosure report for Jan. 1 to June 30, 2008, his first period as a registered lobbyist;
- Reported "No Contributions" for July 1 to Dec. 31, 2008, when he'd given two \$2,300 contributions and a \$12,500 contribution to campaign funds supporting Arizona U.S. Sen. John McCain's presidential bid and \$7,900 to Ohio Republican Party committees;
- Filed no report for Jan. 1 to June 30, 2009, when he'd given \$1,000 to LaTourette for Congress;
- Reported "No Contributions" for July 1 to Dec. 31, 2009, when he'd given \$500 to Portman for Senate, \$375 to the Stark County GOP and \$2,400 to his congressional campaign;
- Reported "No Contributions" for Jan. 1 to June 30, 2010, when he'd given \$15,050 to his campaign.

All federal contributions over \$200, including to one's own campaign, are required to be disclosed on the lobbyist disclosure form.

Albuquerque Journal
March 28, 2018

Poll: NM pessimistic about state's progress

https://www.abqjournal.com/1151766/poll-shows-public-pessimism-on-state-progress.html?utm_source=abqjournal.com&utm_medium=sidebar+-+post+list+-+health&utm_campaign=post+list

Very few New Mexicans are feeling optimistic about the state's progress, according to a Common Cause New Mexico poll released Wednesday.

The survey, regularly put out in advance of the primary elections, shows a drop in the number of people who feel the state is on the right track since the last pre-primary survey in 2014. This year's primary is June 5.

In 2014, the survey showed 38 percent believed New Mexico was headed in the right direction but, this year, that number dropped to 24 percent.

"New Mexico has had a hard time rebounding economically and population-wise compared to our neighboring states. I think people do get frustrated by this, plus crime has been a hot topic in many communities," said Brian Sanderoff, president of Research & Polling Inc., which conducted the survey.

At the same time, the poll captured continued strong support for government ethics and transparency reform.

Ninety percent of those surveyed strongly or somewhat support requiring "all large political contributions from individuals, corporations, political action committees (PACs), nonprofits and unions to be made public." The same amount of support was recorded in 2014.

And 91 percent of those surveyed said they'd like to see lobbyists forced to make public the bills and subjects they are advocating for.

"Clearly there is strong support levels among New Mexicans for your standard good government reform," Sanderoff said.

The poll also shows 54 percent support for making legislator positions paid and 65 percent support for lengthening the short Legislative sessions.

In 2014, there was 85 percent support for the creation of an independent state ethics commission, with 66 percent of registered voters expressing strong support. Such a commission has been debated for decades in the state.

And this year, voters will have a chance to vote on creating one after legislators in 2017 approved a ballot measure for a constitutional amendment.

"That's an example of the Legislature making headway on something good government groups have been advocating on for decades," Sanderoff said.

Common Cause, the sponsor of the poll, has championed the ethics commission.

Common Cause describes itself as a nonpartisan, nonprofit group committed to honest, open and accountable government, and to encouraging citizen participation in democracy. It commissioned the poll and released results Wednesday.

The poll surveyed 452 registered voters in New Mexico by phone between Jan. 16-24 and results have a margin of error of about 4.6 percentage points.

The Hill
March 28, 2018

Countries turn to K Street as they seek relief from Trump's tariffs

<http://thehill.com/business-a-lobbying/380538-countries-turn-to-k-street-as-they-seek-relief-from-trumps-tariffs>

President Trump's protectionist trade policies have led to a hiring spree on K Street, as countries seeking to escape tariffs bring on new firms to convince the White House and Congress that they should be treated favorably.

Since the beginning of 2017, eight countries have added roughly two dozen firms to work on trade issues, according to disclosures filed to the Justice Department and counted by The Hill.

Those countries — Japan, South Korea, Bahrain, Australia, United Arab Emirates, China, Canada and Mexico — already have other firms on retainer.

So far, countries including South Korea, Canada, Mexico and Australia won exemptions from new tariffs the Trump administration has slapped on imports of aluminum and steel. But Japan, an ally to the U.S. that has been in regular talks with the White House, did not.

“This tariff thing, where you basically have to go plead your case with the president's team or [Commerce Secretary Wilbur] Ross to get an exemption from tariffs on your company or country. ... I don't think I've ever seen anything like it in Washington,” one Republican lobbyist told The Hill. “It's like the ticket desk at Dulles [International Airport] in a snowstorm where you have 472 people trying to fight for eight available seats on a plane.”

The steel and aluminum tariffs are just one example of how Trump's approach on trade has thrown people off-balance.

Trump withdrew from the Trans-Pacific Partnership, a trade deal with Pacific Rim countries, last year, but he has been flirting with rejoining it. And while the administration is negotiating with Canada and Mexico to make changes to the 24-year-old North American Free Trade Agreement (NAFTA), Trump has threatened to withdraw the U.S. from the deal if he's unhappy with concessions from the two countries.

The U.S. is also working on changes to its bilateral deal with South Korea.

The administration's trade moves are creating big business on K Street.

The 25 firms recently hired by those eight countries have been paid more than \$4 million for their work since last year. When the tally is expanded to include firms the countries already had on retainer, the figure climbs to upwards of \$13.7 million.

While lobbying hires are common at the beginning of a new presidential administration, Trump's rhetoric on trade has likely fueled many of the recent enlistments.

One contract, on behalf of Sinopec Group, China's state-owned petroleum company, is frank about the issue.

Trump "has been highly critical of America's existing trade deals, 'cheating' by countries like China and Japan and employed nationalist rhetoric about keeping jobs in the USA," according to the Chinese firm's contract with Cowan Strategies Company, which was filed with the Justice Department. "Unlike in many other areas of policy, he takes an active interest in trade and plans to focus on the issue."

"Between his campaign rhetoric and actions so far when it comes to trade, Trump has shown that he is serious about getting his way on the issue. This administration is more likely than previous administrations to take actions in this area that could impact Sinopec's business in the United States," it says.

Lobbyists told The Hill that the Trump administration's approach on trade has spurred confusion among clients.

"They've set it up so every country has to go to the administration and specifically ask for a oneoff exclusion," said one lobbyist who works for foreign governments, asking to stay anonymous to talk about client matters. "This is all set up so the administration can negotiate one-on-one, and have other countries be the supplicants. I don't think that's healthy for a friendly bilateral relationship, but that's the dynamic."

The disclosures, and dollar amounts, calculated by The Hill only represent a small amount that the eight countries spent to lobby on trade over the past year, and focus primarily on the countries that have hired firms — or recently re-upped contracts — involving trade.

Japan has hired nine new firms since the beginning of last year, including ones not involved in trade policy, and has almost two dozen on retainer overall. South Korea has brought on six.

Disclosures show that some of the firms working for Japan have held meetings at the White House and with congressional staffers. Many other countries, including Canada and Mexico, have also been chatting up congressional staff.

Firms have also circulated articles and press releases about the contributions countries make to the American economy, and other materials that bolster their client's image. Advocates for Mexico circulated a letter from Texas Gov. Greg Abbott (R) sent to U.S. Trade Representative Robert Lighthizer talking up NAFTA.

The governor "had previously been quiet" on the issue, read an email from FTI Consulting, a firm hired last year to represent Mexico.

Some of the most aggressive trade actions from the Trump administration thus far have been directed at China, which Trump claims steals intellectual property from American companies. The president said last week that he would impose \$60 billion worth in tariffs on the country as punishment.

The Chinese government or government-funded entities or corporations have brought on three new firms within the past year to polish its reputation with the U.S.

Adding to the confusion for countries dealing with the U.S. is the hands-on role some of Trump's own family members play in foreign affairs. Ivanka Trump, the president's daughter and senior adviser, acted as the administration's delegate to South Korea at the end of the Winter Olympics. "It shows you where we are," the lobbyist working for foreign governments told The Hill, of the involvement of president's daughter in diplomatic affairs.

"Those are the questions people ask: Who do we talk to, who has influence?" he said. "They don't look at these issues purely through the lens of trade, but also look at it through the lens of alliance, national security and economic partnership."

The Baltimore Sun
March 27, 2018

How Maryland's tough campaign finance laws protect incumbents

<http://www.baltimoresun.com/news/opinion/editorial/bs-ed-op-0328-campaign-finance-20180327-story.html>

Incumbent politicians have a lot of advantages in campaigns. They have a network of donors to call on for support. They have an in with party leaders and lobbyists. Their actions and press releases often make it into news reports.

Making matters worse, in many states, incumbents tilt campaign laws to favor their re-election. By imposing low limits on campaign contributions, legislators can force their opponents to spend more time fundraising instead of speaking with voters. Unfortunately, a new index developed at the Institute for Free Speech has just named Maryland one of the five worst states in the nation at protecting political giving freedom. In these states, challengers and political newcomers struggle to get their message out.

These candidates often won't know they're running until election year. Then, they may have to win a primary before worrying about success in November. Meanwhile, incumbents have their entire term to rub elbows with powerful people and increase their name recognition with voters.

The result is a major head start for incumbents, and challengers can't catch up if contribution limits are too low. Recognizing this problem, the U.S. Supreme Court ruled in 2006 that contribution limits can be unconstitutional if they are "too low and too strict." The court observed that such low limits can "harm the electoral process by preventing challengers from mounting effective campaigns against incumbent officeholders, thereby reducing democratic accountability."

Yet according to our research at the Institute for Free Speech, many states maintain low contribution limits that hinder the political process and restrict First Amendment rights. In a new Free Speech Index on political giving, Maryland, along with 10 other states, receives an "F" grade.

Maryland's failing grade is due largely to the state's restrictions on political parties. A majority of states place no limit on individual giving to parties, but Maryland limits both the amount individuals can give to

parties and the amount of support parties can provide to their candidates, effectively doubly restricting free speech and association. Despite increasing limits for individuals in 2013, Maryland still has some of the lowest in the country.

Maryland is also one of only a few states with a four-year election cycle, meaning donors can give the maximum amount less often than in the vast majority of states. On top of all this, these limits aren't adjusted for inflation, meaning a citizen's ability to support candidates will decline each election cycle.

Maryland has tried to bolster campaigns for governor by offering taxpayer funds to candidates, and a few Maryland counties are also experimenting (or may soon) with taxpayer funding of campaigns. These programs impose additional restrictions on a candidate's fundraising and spending, but in return they allow candidates to receive government funding, either in a lump sum or in proportion to the amount of private donations they earn.

However, the experience of other states and cities shows that these programs are easily gamed by savvy political actors seeking to bilk the system. They fail to change the makeup of legislatures or increase voter turnout, lending credence to anecdotal evidence that plugged-in incumbents, not upstart challengers, benefit when the government funds campaigns. A better path is simply to allow Marylanders to give as they please to the candidates of their choice.

In all the debate over what can go wrong when people give money to candidates, we rarely stop to consider the benefits. Making a donation to a candidate or group with shared beliefs is one of the simplest and most effective ways for Americans to make their voices heard. These contributions fund campaign spending that raises awareness and interest in elections, especially among those least interested in government.

Contribution limits stand in the way of this process. They hinder candidates trying to spread their message and make it harder for voters to learn about the choices they'll be asked to make on Election Day. Perhaps most disappointing of all, they hobble political newcomers trying to shake up the system.

Not all states perform poorly in the Institute for Free Speech's Index. Eleven states earn "A" grades and allow individuals to donate without limit to the candidates, parties and groups of their choice. Short of

that goal, most states can significantly improve their grade by implementing simple reforms, such as adjusting limits for inflation.

States can't erase all the advantages that come with incumbency, but they can empower challengers and give them a real chance to compete. Until then, citizens of Maryland must make do with a democracy that is less vibrant and less free thanks to ineffective limits on the freedom to support candidates and causes.

Bloomberg Politics
March 27, 2018

Facebook Goes on a Hiring Spree for Washington Lobbyists

<https://www.bloomberg.com/news/articles/2018-03-27/facebook-in-hiring-spree-for-washington-lobbyists-amid-scandal>

Facebook Inc. is on a hiring spree in Washington as the social network bulks up its ranks of lobbyists in the midst of a privacy scandal that cuts to the heart of its business model.

As a chorus of calls mounts for answers about its data practices, Facebook is looking to hire at least 11 people for policy-related positions in Washington, according to its website. The company started hiring new lobbyists last fall after revelations Russians exploited its platform to help elect President Donald Trump.

On Monday, Senate Judiciary Chairman Chuck Grassley became the latest lawmaker to call for Facebook's CEO Mark Zuckerberg to testify before Congress. The U.S. Federal Trade Commission took the unusual step of confirming it's investigating Facebook's privacy policies following revelations about Cambridge Analytica's use of its data. The National Association of Attorneys General also wants to hear from Zuckerberg.

The calls for Zuckerberg to testify in Washington grew louder after a series of briefings by lower company executives last week left senior lawmakers dissatisfied. Commerce Chairman John Thune, Mark Warner, who is the top Democrat on the Senate Intelligence Committee, also called on Zuckerberg to appear.

Zuckerberg Invitation

Zuckerberg last week suggested he'd be willing to come and answer questions if he determines he is the right person to appear. Grassley, an Iowa Republican, sent an invitation Monday asking Zuckerberg to answer questions at an April 10 hearing. He also invited Google Inc. CEO Sundar Pichai and Twitter Inc. CEO Jack Dorsey to appear before his panel to discuss data privacy.

Facebook hasn't answered Grassley yet. But the company is struggling to stave off a barrage of criticism that it hasn't done enough to address revelations that Cambridge Analytica, which worked with Trump's campaign, siphoned data from some 50 million Facebook users as it built an election-consulting company that boasted it could sway voters in contests all over the world.

Facebook has lost about \$73 billion in market value in the past six trading days. Since March 16, the stock has fallen 14 percent and is on track for its worst month in four years. The shares rebounded from earlier losses to end up 0.4 percent at \$160.06 Monday.

Last week, Facebook officials appeared unprepared and uncertain during briefings with congressional staff to answer questions about how big the problem is, according to staffers who attended the meetings.

Multiple Briefings

Company executives told the aides in multiple briefings that they didn't know how many copies of user data similar to that obtained by Cambridge Analytica have been made, how widely disseminated those duplicates might be and who has that information, said the staffers, who asked not to be identified because the briefings weren't public.

The key issue raised in the briefings was whether there might be others that had access to the data that Cambridge Analytica obtained beginning in 2014 after entering into a commercial venture with a firm called Global Science Research, which initially got a smaller amount of user data under the guise of academic research.

Zuckerberg echoed in a round of interviews last week that the company was looking into the scope of the problem and didn't yet know what it would find. He added that Facebook has a responsibility to make sure it can secure the data.

Tracking System

In the briefings, the Facebook officials acknowledged the company doesn't have a system to track whether a user that had promised to delete profile information had actually duplicated it and said there's no follow-up procedure or enforcement mechanism to lock down the data.

Congressional staffers came away from the briefings doubting that the company could provide a full accounting of who might have access to the data. Facebook wouldn't disclose the names of the company officials that carried out the briefings, which were with staffers of the House Energy and Commerce, the Judiciary and Intelligence committee, and the Senate Commerce committee.

Staffers also asked the Facebook officials questions about who owns data on the social network and about the policies, procedures and terms of service now in effect and what Facebook will do next.

Policy Hires

Among the hires Facebook is seeking to make are privacy and public policy managers, a government outreach manager, associate general counsel positions, and a couple of policy managers to help draft positions on tech and video policy issues. Some of the postings say the positions could be based in either Washington or the company's Menlo Park, California headquarters. It wasn't clear when the jobs were

posted or whether they are new positions. A Facebook spokesman declined to comment on the policy positions the company is currently trying to fill.

The company ranks third among top tech companies in Washington lobbying spending after Alphabet Inc.'s Google and Amazon.com Inc. and employs about 40 internal and external lobbyists. The company disclosed spending \$11.5 million on lobbying in 2017, up from \$8.7 million the year before.

In the days last fall before Facebook officials were called in to testify on the Russian campaign meddling, the company hired three lobbyists to work on issues that included online advertising and election integrity, according to federal disclosures.

Three Lobbyists

The three lobbyists were David Wade, a former top aide to John Kerry during his tenures in the Senate and at the State Department; Sudafi Henry, who served as Vice President Joe Biden's legislative affairs director; and Luke Albee, a former chief of staff to Senator Mark Warner. They all started lobbying for Facebook in October, according to congressional filings.

It wasn't clear if any of them participated in the congressional briefings last week.

Albee started lobbying for the company on Oct. 30 -- two days before his former boss, the top Democrat on the Senate Intelligence Committee, grilled Colin Stretch, the company's general counsel, in a hearing. Henry and Albee disclosed lobbying on a range of issues including consumer privacy, data security, online advertising and disclosure while Wade listed "congressional investigation" as the issue he would address for the company.

Governing

Secretive Kansas Starts to Open Up

<http://www.governing.com/topics/politics/gov-kansas-transparency.html>

It would be hard to find an American government more secretive than the one in Kansas. More than 90 percent of the bills that become law are introduced by anonymous sponsors, while administrative agencies, as a matter of policy, block many records from examination by the public or even lawmakers.

Kansas is one of only four states that don't require public notice of regular public meetings. It's also one of two, along with Arkansas, that don't require minutes to be kept at those meetings. Legislators aren't required to have their votes recorded at the committee level, where much of the action takes place. The practice of "gut and go" -- subbing out the entire text of a bill at the last minute -- has long been common. What started out as a transportation bill, say, may suddenly be about abortion. And no one outside the committee or leadership has any idea why it happened.

Lots of other information is shielded. The value of tax breaks given to businesses is not disclosed, even to lawmakers. Police departments can withhold information from the public about officer-involved shootings, including video footage. When children overseen by the Department of Children and Families are abused, the agency may hide its involvement, even shredding relevant notes. "My sense is that

some of these practices were just taken for granted,” says Michael Smith, a political scientist at Emporia State University.

That’s no longer the case. The culture of secrecy in the state, which extends to local governments as well, was exposed in a series of articles last fall in the Kansas City Star. The issue has been drawing attention in the state Capitol ever since. The House has cracked down on anonymous bills, while the Senate is working on increased disclosure requirements for lobbyists.

Just days after taking office earlier this year -- replacing outgoing Gov. Sam Brownback, who was appointed ambassador at large for international religious freedom -- Gov. Jeff Colyer signed a series of executive orders meant to make the state government and its workings less secretive. The governor directed cabinet agencies to come up with metrics for measuring transparency, and he also imposed some specific requirements that include making the agencies provide more free copies of open records and creating a website to list all open executive branch meetings.

Even if the rules are rewritten, longstanding habits of nondisclosure will not disappear immediately. But it’s now a topic state leaders cannot avoid. “It’s turned into an election year issue,” says Bob Beatty, a political scientist at Washburn University. “It helps that gubernatorial candidates from both parties are endorsing these ideas.”