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Weekly Lobbying Articles

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Pot lobbying on Beacon Hill reaches new high

http://www.gloucestertimes.com/news/local_news/pot-lobbying-on-beacon-hill-reaches-new-high/article_787bc683-91b6-5505-ae95-f24a736714b1.html

When lawmakers proposed tough new regulations and higher taxes on recreational marijuana sales last year, as part of a re-write of the voter-approved pot law, the response from potential growers and sellers was swift.

A small army of lobbyists descended on Beacon Hill, many of them paid by out-of-state marijuana industry groups.

Those efforts appear to have paid off, as the state House of Representatives backed off a higher tax levy and left many regulatory proposals out of the final bill.

“We would have had a lot more local restrictions, and certainly higher taxes, on recreational marijuana if the House version had survived,” said Jim Borghesani of the Marijuana Policy Project, a national group that spent more than \$74,000 on lobbying state officials last year.

“That would have made it very difficult to get the industry off the ground,” he said.

With hundreds of millions of dollars at stake, it’s not surprising that the marijuana lobby is growing like weeds.

More than \$1.1 million was spent lobbying on marijuana in 2017, according to public disclosures filed with Secretary of State William Galvin’s office. That’s more than three times the \$250,000 spent by mostly medical marijuana-related lobbyists two years earlier.

Opponents of legal weed say they aren’t surprised by the increased spending by the pot lobby.

“We expected this because we’ve seen it in other states,” said Jody Hensley, a policy adviser for Massachusetts Prevention Alliance, which opposed legalization. “The marijuana industry essentially wrote the law, and now they are heavily influencing policy to expand the supply and use of it.”

She argues that the rule-making process is also being driven by the pot industry, both at the state level and in cities and towns.

“Every time political operatives of the cannabis industry try to influence negotiations on policies, they win,” she said. “Because they are sophisticated, experienced and highly paid.”

Geoff Beckwith, executive director of the Massachusetts Municipal Association, said he too isn’t surprised by the influx of outside money by firms with a stake in the industry.

“This is a nascent industry and there’s a lot of money involved,” he said. “So it’s no shock that they are trying to put their thumb on the scale.”

Still, he suggests that the local approval process for allowing marijuana sales or cultivation facilities is largely insulated from the influence of Beacon Hill lobbyists.

“They’re not going to spend a lot of money trying to influence town meeting members,” he said. “I don’t think that would be very effective.”

Bridging the cultures

Weedmaps, a California-based company that runs an online marijuana dispensary rating service, has hired several lobbying firms to help break into the Massachusetts market.

Last year, the company spent a combined \$120,000 on lobbyists, according to state disclosures. Among them: Smith, Costello & Crawford, a Beacon Hill-based firm whose principals include former state Rep. Michael Costello, a Newburyport Democrat.

Chris Beals, Weedmap’s president and general counsel, says the company has focused on providing research, data and information to policymakers “on what models of legalization and policies have worked in other jurisdictions.”

“Our central tenant is to encourage effective legalization of marijuana that minimizes the illegal market while providing a safe legal market that mitigates any public health concerns,” he said.

A ballot question legalizing pot passed with more than 53 percent of the vote in November 2016, allowing adults 21 and older to carry up to an ounce of marijuana in public and grow up to a dozen plants on their property.

The law also permits retail sales and commercial growing, which are expected to get underway in July. The state’s five-member Cannabis Control Commission is finalizing draft regulations for the industry that will govern sales and cultivation.

Massachusetts also has a medical marijuana program that was approved by voters in 2012. There are currently 22 dispensaries statewide, serving about 46,000 patients, according to the Department of Public Health.

Among those lobbying on marijuana-related issues is Dan Delaney, of Delaney Policy Group, who was paid nearly \$140,000 in 2017 by Commonwealth Alternative Care Inc. and two other groups that represent medical marijuana dispensaries.

He said much of what he does involved “bridging the cultures” between often state officials and the growing medicinal pot industry.

“A lot of what I do is translating,” he said in an interview. “Because it’s such a new industry, you don’t have business operators who have enough experience to speak in the terms that state or local elected officials understand.”

Spending to shape policy

Delaney, a former state health official who opposed the Question 4 initiative that legalized pot, currently doesn’t represent recreational pot interests.

“I’m not opposed to representing recreational use, but I would have to be comfortable with the ethics of whatever group wants to hire me,” he said.

He suggests that what’s being reported to Galvin’s office is only the tip of the iceberg because many lawyers employed by the industry are not filing disclosures.

“There’s a lot more money involved,” he said. “I would bet that what’s being reported is only about one-third of what is actually being spent.”

Several other lobbyists didn’t return phone calls seeking comment for this story.

Trying to figure out how much the pot lobby spends is a challenge. Most disclosures for marijuana lobbying in Galvin’s searchable lobbyist database are filed under health care, education or pharmaceutical sections. There are categories for the alcoholic beverage and tobacco industry, but not marijuana.

To be sure, the pot lobby in Massachusetts still takes a back seat to the much older, betterfinanced alcohol industry, which spent more than \$1.2 million lobbying state officials and lawmakers last year, according to disclosures.

And the pot spending still pales in comparison to the health care, energy and education industries, which pour millions of dollars a year into lobbying.

The pot industry has also started plowing money into shaping federal policy, as states increasingly legalize marijuana use.

In 2017, the marijuana industry spent more than \$1.3 million on Washington lobbyists, double the amount it did in the previous year, according to a recent report from the Center for Responsive Politics, which tracks money in politics.

While companies in other sectors spent far more, the growth of marijuana lobbying was the most of any industry, the group said.

Borghesani said lobbying on Beacon Hill is essential for giving the new industry a voice where there is still much opposition to legal weed.

“It’s always helpful to have people on the ground who have contacts and understand how the system works,” he said. “Just like any other industry, lobbyists are going to continue to represent the marijuana industry so that our voices are heard.”

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Top pot lobbying firms in 2017

Lobbyists are required by law to file periodic disclosures with the Secretary of State's office showing the issues they're focused on and how much they've spent. These expenses were compiled from those reports.

Beacon Strategies Group LLC — \$350,000

The Novus Group — \$200,000

Smith Costello & Crawford — \$145,500

Delaney Policy Group — \$139,490

Preti Strategies — \$88,000

Torrisi Strategic Advisors LLC — \$66,000

Nelson Mullins — \$40,500

Northjersey.com

March 8, 2018

Lobbying in New Jersey: Here is who's spending millions to shape how you live

<https://www.northjersey.com/story/news/new-jersey/2018/03/08/lobbying-nj-here-whos-spending-millions-shape-how-you-live/402661002/>

Political battles over a \$15 minimum wage, subsidies for New Jersey's nuclear industry and a failed attempt by former Gov. Chris Christie to raid the reserves of the state's largest health insurer drove spending by lobbyists to nearly \$91 million last year, according to preliminary data released Thursday by the state's Election Law Enforcement Commission.

That number reflected record spending by many of the key players in those debates even while several of 2017's most contentious issues remain unresolved under the new administration of Gov. Phil Murphy.

"In a democratic society, policy-making often doesn't come easy or quietly," Jeff Brindle, ELEC's executive director, said in a news release. "And the most intense debates often lead to heavy lobbying activity."

Big spenders

Horizon Blue Cross Blue Shield of New Jersey, the state's largest health insurer, led all groups with \$2.5 million in spending last year, up from about \$778,000 in 2016. The bulk of the spending went toward stymieing Christie's proposal to use money from Horizon's reserves for anti-addiction initiatives, according to ELEC.

Amid the fight over the money, which led to a government shutdown last summer, Horizon paid \$1.4 million to an organization called the Latino Consumer Alliance to run an aggressive public relations campaign against the diversion. Christie relented a day after he was photographed with his family lounging at Island Beach State Park, which had been closed to the public because of the shutdown.

Public Service Enterprise Group, meanwhile, spent \$2.4 million while pushing for ratepayer subsidies for its three nuclear reactors in Salem County — an effort opposed by \$939,000 in spending by the New Jersey Coalition for Fair Energy, which includes rival power companies.

And the New Jersey Food Council spent \$1.2 million — largely through a group called Protect Jersey Jobs — to oppose a proposed hike in the minimum wage to \$15 an hour.

Whether to grant the nuclear subsidies and increase the minimum wage are two of the biggest policy decisions facing Murphy during his first year in office.

Passaic River cleanup

Lobbying by Occidental, one of the nation's biggest chemical companies, hit \$1.2 million last year. As with spending by Horizon, PSEG and the Food Council, that amount was a record for Occidental in New Jersey.

The company's efforts centered around an apparent scheme by Argentina's state-owned oil company, YPF SA, to use a subsidiary's bankruptcy to avoid paying for a cleanup of contamination in the Passaic River. The river is so polluted that its lower portion is a Superfund site.

State lawmakers have been studying how to hold YPF accountable for its share of the \$1.4 billion project. An entity under YPF owned the Diamond Alkali plant in Newark, which dumped cancer-causing dioxin in the Passaic a half-century ago while manufacturing the infamous Vietnam-era defoliant Agent Orange.

Occidental, which is also liable for part of the cleanup and has agreed to pay at least \$165 million toward the project, was pushing for legislation to ban the New Jersey pension system from investing in companies that avoid paying to remediate Superfund sites, said Dennis Hart, executive director of the Chemistry Council of New Jersey, a trade association that includes Occidental. The measure was pocket vetoed by Christie but has been reintroduced in the new legislative session.

Should YPF walk away from its liability, other companies like Occidental would have to pick up the tab, Hart said.

Lobbying trends

Perhaps unsurprising given the issues confronting lawmakers, spending by energy interests in 2017 jumped by 49 percent, to \$7.6 million, over the previous year. It was the largest increase of any special interest group, followed by a 39 percent jump by insurance interests, which spent \$6.1 million last year.

Spending on transportation was down 64 percent, to \$2.5 million, a year after Christie and lawmakers reached a deal to raise the gasoline tax to fund transportation projects.

Miscellaneous business interests spent the most of any group: \$12.9 million.

Despite the record spending by the likes of Horizon and PSEG, spending on grass-roots issue advocacy campaigns that often include TV ads and mailers fell 20 percent to \$8.5 million in 2017.

The average number of registered lobbyists also fell last year, to 900, a decrease of 4 percent from 2016 and the lowest point since 2005. But Brindle said that could be due to a rise in so-called "shadow

lobbying,” where firms rely on pollsters, researchers and other experts who don’t interact directly with elected officials and choose not to register as lobbyists.

Overall business at lobbying firms remains strong, according to ELEC. Princeton Public Affairs Inc. remained the biggest of the multiple-client firms last year, with \$9.2 million in total receipts. It was the 15th consecutive year the firm has topped all others.

And Brindle said lobbying firms could fare even better in 2018 given the types of issues facing Murphy and lawmakers, including a push to legalize marijuana for recreational use.

“I suspect a significant amount of spending, if not greater totals, next year this time than we even see this time because these are major issues that affect a lot of people,” he said.

Orlando Sentinel
March 8, 2018

Legislature OKs payday loan, resign-to-run bills

<http://www.orlandosentinel.com/news/politics/political-pulse/os-house-payday-loans-20180308-story.html>

The Florida House late Wednesday passed measures to revamp regulations for the payday-loan industry and to expand the state’s resign-to-run election law, sending the issues to Gov. Rick Scott.

House members voted 106-9 to approve the payday loan bill (SB 920), which also easily cleared the Senate on Saturday. The industry-backed measure would allow payday lenders to make larger loans for longer periods of time.

A short time later Wednesday, the House voted 87-27 to approve the resign-to-run bill (SB 186), which passed the Senate in January.

If signed by Scott, it would extend resign-to-run requirements to state and local officials who run for congressional seats.

While the payday-loan bill did not draw a floor debate, it spurred lengthy discussions during House committee meetings in recent weeks — and faced opposition from some consumer advocates and religious groups.

The bill would allow the businesses to make “installment” loans up to \$1,000, with repayment over 60 to 90 days. Current law limits the high-interest loans to \$500 for periods of seven to 31 days.

Supporters say the proposal was prompted by potential changes in federal regulations that could affect the types of smaller-dollar, shorter-term loans made by payday lenders in Florida. Also, supporters contend that payday loans play a key role for many low-income people who don't have access to other types of credit.

Among the key backers of the bill has been Tampa-based Amscot Financial, Inc., whose roster of lobbyists includes former Congressman and state Sen. Kendrick Meek and former state Rep. Joe Gibbons.

Opponents of the measure, however, have argued that payday loans can lead to consumers falling into a "debt trap."

The House members who voted against it Wednesday were Rep. Joseph Abruzzo, D-Boynton Beach; Rep. Ramon Alexander, D-Tallahassee; Rep. Lori Berman, D-Lantana; Rep. Al Jacquet, D-Lantana; Rep. Bobby Olszewski, R-Winter Garden; Rep. David Richardson, D-Miami Beach; Rep. Emily Slosberg, D-Boca Raton; Rep. Carlos Guillermo Smith, D-Orlando; and Rep. Cynthia Stafford, D-Miami.

The resign-to-run bill, meanwhile, would expand a requirement that already applies to state and local elected officials who decide to run for other state or local offices. If the terms of the offices overlap, the officials have to submit resignations at least 10 days before qualifying to run, with the resignations effective when the officials would take the new offices or when their successors would take office.

Under the bill, the same requirements would apply to state or local officers who decide to run for Congress.

The votes came amid a batch of bills quickly approved by the House at the end of a marathon floor session dominated by a debate on school-safety legislation.

The Texas Tribune
March 2, 2018

Without competitive primaries, some Texas politicians choose to donate to their colleagues

<https://www.texastribune.org/2018/03/02/no-competitive-primaries-their-own-some-texas-politicians-choose-donat/>

Hey, Texplainer: Does Texas law allow elected officials to give their campaign donations to other candidates?

Yes, it does. And this year, elected officials are doing it a lot.

Hugh Brady, a law professor at the University of Texas at Austin, put it simply: Candidates can take money from pretty much anyone they want — and they can give that money to pretty much any candidate they want.

One of the few stipulations is that contributions from individuals to federal candidates are limited to \$2,700 per election by the Federal Elections Commission. Texas, meanwhile, doesn't have contribution limits for most offices, according to the Texas Ethics Commission.

We've seen plenty of candidate-to-candidate contributions ahead of Tuesday's primary elections. Republican Gov. Greg Abbott, who has amassed a \$43.3 million war chest for 2018, is free of serious primary opposition and has used some of his money to fight to unseat fellow Republicans in the Texas House whom he has clashed with. About \$161,000, for example, went to ads opposing Rep. Sarah Davis, R-West University Place.

Lt. Gov. Dan Patrick's campaign finance reports show several in-kind contributions to fellow Republicans running for state Senate seats, including one to state Rep. Pat Fallon, R-Frisco, who is challenging Sen. Craig Estes, R-Wichita Falls, in the Senate District 30 primary.

And Republican Attorney General Ken Paxton's political campaign pledged \$2 million to help his wife, Angela, in her bid for the state Senate. Paxton also loaned his wife's campaign \$500,000.

“Usually if you’re a Democrat, the Democrats will give you money, and usually if you’re a Republican, the Republicans will give you money,” Brady said. “But it’s usually an incumbent protection thing [rather than] an offensive use.”

Then, there’s the question of what happens when a lawmaker stops serving in the Legislature but still has thousands — or millions — of campaign dollars.

One common move is to become a lobbyist and use that money for campaign contributions. A 2017 report from Texans for Public Justice, a campaign finance watchdog group, said five members who left the Texas Legislature that year became lobbyists within four months of leaving.

“A couple of people have gone into the lobby in recent years with pretty decent-sized war chests,” said Craig McDonald, the group's director.

This practice will cease in 2019, however. A House bill signed by Abbott during the previous legislative session will ban lawmakers who leave the Legislature and become registered lobbyists from giving their campaign funds to another candidate, officeholder or political committee. The measure will take effect Jan. 8, 2019.

Instead of giving the money to another lawmaker, McDonald said, former lawmakers who become lobbyists can give their campaign money back to their donors or to a charity.

The bottom line: Texas law does allow elected officials to give their campaign donations to other candidates — and there are barely any restrictions on doing so. Starting next year, however, former lawmakers who become registered lobbyists won’t be able to give any of their campaign contributions to candidates, officeholders or political committees.

Detroit Metro Times
March 6, 2018

Michigan Dems back bank deregulation after taking cash from Wall Street

<https://www.metrotimes.com/news-hits/archives/2018/03/08/michigan-dems-back-bank-deregulation-after-taking-cash-from-wall-street>

Michigan senators Gary Peters and Debbie Stabenow are among 16 Democrats who've joined with Republicans to advance a bank deregulation bill that progressives warn would pave the way for another financial meltdown if approved. And they got a whole mess of money from the financial sector before voting to do so.

The so-called Economic Growth, Regulatory Relief and Consumer Protection Act would roll back or eliminate some of the regulations and protections put in place by Dodd-Frank after 2008. Democrats who support the bill, including Peters, a co-sponsor, claim its intent is to provide regulatory relief for community banks and credit unions.

A cheat sheet on the bill provided by Peters' office suggests part of the regulatory relief for "Main Street" would come in the form a provision to increase the threshold at which banks face stricter oversight. Right now banks with more than \$50 billion in assets are subject to tougher regulations from the Federal Reserve. The bill would up that amount to \$250 billion, which means restrictions would be loosened for regional, mid-sized banks including Suntrust and Fifth Third.

"It was big banks and Wall Street that caused the financial crisis – not Michigan's credit unions and community banks," Sen. Peters said in an emailed statement. "In fact, Michigan credit unions and community banks stepped up and helped keep Michigan families afloat during the financial crisis by offering credit when big banks wouldn't."

Stabenow's talking points were essentially the same.

"Our member-owned credit unions and community banks—who did not cause the crisis—are vital to small businesses and families," Stabenow said in an emailed statement. "Unfortunately, they are

starting to disappear from cities and small towns across Michigan and are facing unnecessary regulations."

But it's unclear how Michigan credit unions and community banks will benefit from an increase in the asset threshold for stronger oversight. No Michigan credit union has anywhere near \$50 billion in assets — the most any of them have is around \$1 billion, according to Daniel Curren with the Michigan Credit Union League, which has come out in support of the bill. The provision doesn't seem to help out community banks either; the New York Times reports the nation's more than 5,000 community banks also generally have \$1 billion dollars in assets or less. The change does reportedly help out 25 of the country's 38 largest banks.

And while the 25 banks in question are smaller than behemoths like JPMorgan Chase and Citigroup, progressive Democrats like Sen. Elizabeth Warren of Massachusetts charge that they are big enough to threaten the economy if they fail. A report by The Hill points out that mortgage lender Countrywide Financial had \$200 billion in assets when it became one of the key players in the financial crisis — "a stark reminder to regulators and Congress that mid-sized, regional financial institutions can put the financial system and economy at risk."

A Congressional Budget Office scoring of the bill found it slightly increases the possibility of bank failures and would likely mean more public funding for bank bailouts. The CBO projected those bailouts would cost taxpayers an estimated \$671 million over a 10-year period.

Still, some provisions in the bill would be a boon for the little guys. Those include rules that would allow more small banks to operate with higher levels of debt and engage in certain kinds of speculative investment once prohibited by the Volcker rule under Dodd-Frank. There are also cuts in certain reporting requirements for banks with less than \$5 billion in assets.

But those benefits do not outweigh what progressive Democrats view as the larger cost of hooking up Wall Street in the wake of the financial meltdown.

"We've been down this road before," Sen. Warren said on Twitter. "Whenever things are going OK in the financial system, the lobbyists flood the halls of Congress & convince politicians to roll back the rules – because what could possibly go wrong?"

Warren and others have derisively dubbed the bill "The Bank Lobbyist Act" due to a provision that looks like it could help mega-banks like Citigroup and Chase take on more risk. (Peters and Stabenow, for their parts, claim the bill does not roll back any regulations on the largest banks that caused the financial crisis.) The CBO determined there's a 50 percent chance that lobbyists for the big banks will convince Federal Reserve regulators to allow them to do this (and remember, the Fed currently operates under Trump). It's complicated, but The Intercept explains it well:

Among other parts of the bill, CBO analyzed Section 402, which would change the supplementary leverage ratio, or SLR, a simple calculation of total equity divided by total assets. The section lets "custodial banks," which do not primarily make loans but instead safeguard assets for rich individuals and companies like mutual funds, to eliminate reserve funds parked at central banks from the calculation, reducing leverage by as much as 30 percent. This would juice returns for these banks but also layer on additional risk, by allowing them to hold less equity to offset losses in a crisis.

As first reported by The Intercept, Citi lobbyists successfully engineered a change to Section 402's language. While the definition of a custodial bank used to stipulate that only a bank with a high level of custodial assets would qualify, it subsequently defined a custodial bank as "any depository institution or holding company predominantly engaged in custody, safekeeping, and asset servicing activities."

The 16 Democrats who support the measure include centrists (Joe Manchin from West Virginia) and Senators running for re-election in swing states or states won by Trump (Joe Donnelly of Indiana, Heidi Heitkamp of North Dakota, Jon Tester of Montana, and Claire McCaskill of Missouri). Stabenow finds herself in the second category.

Both she and Peters have received quite a bit of money in campaign donations from the financial sector in recent years. According to the Center for Responsive Politics, Peters has in the past five years accepted approximately \$650,000 in contributions from the securities and investment industry and

nearly \$175,000 from commercial banks. That's out of a total \$12 million in donations that he received in that period.

Stabenow, meanwhile, has seen a recent spike in campaign contributions from commercial banks. This election cycle, she has so far accepted at least \$83,000 in contributions from commercial banks, the fifth-highest amount accepted by a Democrat and the seventh-highest in the Senate overall. More specifically, Stabenow counts Goldman Sachs and CitiGroup among her top ten donors. She has also received \$485,000 from the securities and investments industry over the past five years.

Rank	Candidate	Amount
1	Heitkamp, Heidi (D-ND)	\$157,354
2	Donnelly, Joe (D-IN)	\$140,360
3	Tester, Jon (D-MT)	\$131,662
4	Heller, Dean (R-NV)	\$122,050
5	Hatch, Orrin G (R-UT)	\$91,000
6	McCaskill, Claire (D-MO)	\$85,911
7	Stabenow, Debbie (D-MI)	\$82,947
8	Jones, Doug (D-AL)	\$82,294
9	Crapo, Mike (R-ID)	\$80,900
10	Strange, Luther (R-AL)	\$79,800

Both senators missed our deadline for comment on whether the contributions influenced their vote to advance the bank deregulation. About five hours after this story was published, an unidentified spokesperson for Peters' offered this quote:

"Senator Peters' policy positions are driven by what's best for Michigan's middle-class, working families – not by campaign contributions."

With the Democratic support, the bill could pass the full Senate by the end of the week.

AL.com
March 6, 2018

Who gets helped by Alabama's 'boring and vanilla' governor's race

http://www.al.com/news/mobile/index.ssf/2018/03/who_gets_helped_by_alabamas_bo.html

Three months ago, the Doug Jones campaign had to turn down interview requests from international journalists because of a crush of worldwide media interest in Alabama's special Senate election.

Three months later, and marking 90 days before the June 5 primary, political observers in Alabama are wondering if anyone is paying attention to Alabama's governor's race.

"Boring and vanilla," said Jess Brown, a retired Athens State University political science professor.

Said Sam Fisher, a political science professor at the University of South Alabama: "I don't hear people talking about it."

But to others, a snoozer of a campaign may offer a relief for Alabama voters unaccustomed to the attention the state got during the waning days of the Dec. 12 election.

"They are tired of the drama," said Angi Stalnaker, a Republican campaign strategist based in Montgomery. "They are looking for a drama-free race."

Added Wayne Flynt, a respected historian in Alabama: "Boring is not necessarily bad in Alabama."

'Hers to lose'

The governor's race is crowded - four Republicans, and six Democrats are qualified to run for the state's top executive seat. But, as almost everyone has rightfully pointed out, it's been a yawner of a follow-up to last year's roaring Senate contest between Jones and Republican Roy Moore, which Jones won.

Perhaps it's just early. Candidates believe the race will heat up ahead of the primary. Democrats, emboldened following the Jones win, believe it's the potential general election matchups providing the most intrigue, and those campaigns aren't likely to stir until the fall.

"I think what you have had occur is a bit of a hangover from the contentious Senate race, and then the Legislature going into session in January," said Chip Hill, spokesman for Tuscaloosa Walt Maddox's Democratic campaign for governor. "I think that has sucked up a lot of the political air."

Political analysts believe that the politician benefiting the most from the low-key campaign is current Gov. Kay Ivey. The understated governor is running on a message of economic recovery following a "steady the ship" message she often talked about following former Gov. Robert Bentley's tumultuous exit from office 11 months ago.

"I think short of Governor Ivey making a major misstep, which I think is highly unlikely, this is hers to lose," said Stalnaker.

There are some hints of political needling ahead, which opponents hope will knock Ivey off her perch. Last week, Huntsville Mayor Tommy Battle accused the governor of spending more time at cocktail parties than at work, an accusation he said wasn't meant as personal. He said the comment underlined a perception that Montgomery is dominated by special interests, and he has pushed to change that culture.

"The perception of Montgomery is that you leave session and then go to a cocktail party and then there are two others to go to later that night," said Battle. "No one else does that in government."

Battle has since challenged Ivey, and the other GOP governor candidates - Scott Dawson of Birmingham and state Sen. Bill Hightower of Mobile - to seven debates, each held in a congressional district. Ivey's campaign said the governor is willing to debate, but it's unclear how many she is attend.

Said Battle: "You need to be out there with the people and talking to the people. We haven't seen that so far (from Ivey)."

Dawson and Hightower are also weighing in on the "cocktail party" comment.

Hightower said it underscores a problem with perceptions that Montgomery caters to big money lobbyists, not the public.

"That cocktail comment just reflects one of the things that needs to change in Montgomery," said Hightower, who favors term limits as one way to address the matter.

Dawson said he's been disappointed in the lack of a debate-styled formats involving all the candidates. For the past two months, candidates have attended forums hosted by council political parties. They've also attended Rotary or business club events, women's clubs and other small-size gatherings.

"It's a critical election for the future and hopefully there will be a time that we'll be on stage, together and have (the audience) ask the questions," he said.

'Getting started'

Ivey is reaping the benefits of incumbency, and campaign documents show that she has outpaced her rivals in fundraising. Ivey, as of late last month, has raised nearly \$2.8 million, and has more than \$2.1 million in the bank.

Battle has shown some fundraising chops of his own, raising more than \$1.7 million with \$1.3 million cash on hand.

In an email on Friday, Battle highlighted the support from 1,000 individual donors. He also criticized Ivey for relying on political action committee support more than anybody else running for governor.

"If you want to look at individual contributions versus individual contributions, we match her dollar-to-dollar," said Battle. "If you want to look at PACs, which represent special interests, she has over 80. The three of us in the campaign, we have had 17. (PACs are) people saying, 'I like what is happening in Montgomery and I'd like to see it continue to happen in Montgomery.'"

Ivey's campaign responded Friday, in a statement: "We understand that desperate politicians like Mr. Battle will throw around campaign rhetoric, but their rhetoric doesn't match reality."

The campaign went on to tout Alabama's flurry of good economic news in recent months, such as low unemployment and investment in pre-K education, and banning lobbyists and appointments in the executive branch.

In addition, Ivey's campaign touted the state's efforts in wooing an estimated 4,000 jobs to the Huntsville area - in Battle's backyard - with the announcement in January of a Toyota-Mazda manufacturing plant.

"And she's just getting started," the statement reads.

'Craving relatability'

For Flynt, Brown and other state political observers, a lack of "bold" initiatives coming from candidates other than Ivey only benefits the sitting governor.

"She can continue with the status quo and say the economy is good, that I inherited a mess and she can stay with that," said Brown, the retired Athens State professor. "No one else is giving rank-and-file voters in these primaries a reason to really wed themselves to an individual based on an issue or something."

The governor, who has been involved in state politics since 1979, also benefits from statewide name recognition.

"She's got the name recognition," said Fisher, political science professor at USA. "The others, they are known in their areas. But outside of Huntsville or lower Alabama, those people's names won't be known as compared to Kay Ivey. And given a choice of the name they know or the name they don't know, they will go with the name they know."

Flynt, a professor emeritus in the history department at Auburn University, said relatability to voters could also be a concern for those challenging Ivey. He said voters will likely be able to relate more to the folksy governor, a native of rural Wilcox County, than they would to the more button-downed Battle.

"She comes across as someone who is a little more caring," said Flynt.

Stalnaker said Battle, while "polished and distinguished" as Huntsville's mayor, will have problems relating to rural and more low-income voters.

"When you see Tommy Battle, he looks like the well-dressed and well-spoken politician you'd see in a movie if you were to cast a southern politician," she said. "If you see Kay Ivey, you see someone you can sit down with on Sunday with the family. That's a relatability that I think Alabamians are craving right now."

Brown said that image concern is one reason why Battle utilized a "populist tinged" cocktail party remark to describe the governor.

"I don't think it does Battle any harm," said Brown. "But in a Republican primary, I'm not sure it did him any good."

Flynt said Battle's remark was meant to woo Moore voters, or the evangelical conservatives who are a dominate voter base in Alabama.

"It was an attempt to identify with the Roy Moore vote and has a hint of Wallacism of it with snobbery of elites and intellectuals and is trying to identify with the common folk," Flynt said. "Huntsville is not the place where you come from if you want to identify with the rural voice of Alabama."

'Get attention'

Battle isn't the only one trying to push Ivey aside. Hightower, a state senator since 2013, said the reason people may be labeling the campaign as "boring" is because of Ivey.

"As far as how the race looks now, I think what you need to do is look who is leading and let that be a reflection on why people aren't excited," said Hightower. "They are not excited about the leadership that has been there for 20-plus years."

Dawson said he believes his campaign is poised to generate excitement. He is the only candidate, thus far in the governor's race, to attract outside attention from a political celebrity: Former Arkansas Gov. Mike Huckabee will speak at Dawson's kickoff rally on March 19 in Pelham.

"I think we are now starting to get some attention," said Dawson, who calls Huckabee a friend for the past two decades, and who endorsed his candidacy in October. He expects the kickoff rally to draw 500 to 600 people.

"The average Alabamian is hard at work trying to provide for their family. They do not have time to think about an election (months) in advance," he added.

Flynt, the historian, is hopeful someone will make a bold splash into the campaign. He said the message he's gotten from the early portions of the governor's race is "they are telling me how terrific everyone is here and that they don't need to make any changes."

Said Flynt, "Thus far, the Republican campaign strikes me as being rooted in the past. It doesn't strike me as a bold campaign that tells me why Alabama is going to be dealing with its real issues and economic development challenges."

He added, "I don't think anyone who seriously looks to the future believes that the announcement of a Toyota plant will deal with systematic workforce preparation and early childhood training and one of the poorest prepared education workforces in the country."

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Trump's Florida Fundraiser Flourishes as New Washington Lobbyist

<https://www.bloomberg.com/news/articles/2018-03-05/trump-s-florida-fundraiser-flourishes-as-new-washington-lobbyist>

A stranger to Washington has emerged as a winner in the ruthless world of lobbying in the nation's capital, thanks in part to his ties to President Donald Trump.

Brian Ballard, the Florida fundraiser often sought out by Republican presidential candidates, was best known in Tallahassee until election night 2016. When the state was called for Trump, Ballard's cellphone lit up with clients looking for a guide into the new administration.

Disclosures now show just how lucrative those services can be: by the end of 2017, Ballard Partners LP had racked up \$9.8 million in federal lobbying fees, the most of any new K Street arrival in the two decades such records have been available.

Trump's surprising victory and Ballard's relationship with him proved pivotal as clients looked for someone who knew the outsider in the White House. Ballard first met Trump in the 1980s and had represented the real estate developer in Florida since 2013. After opening his Washington office, Ballard scored major clients, including American Airlines Group Inc. and Prudential Financial Inc., disclosures with the Senate Office of Public Records show.

'Drain the Swamp'

The firm's success is emblematic of a lobbying boom that belies Trump's vow to "Drain the Swamp." With companies looking to exploit a one-party government that has promised to be more business-friendly, overall spending on lobbyists increased to \$3.34 billion in 2017 from \$3.15 billion, according to the Center for Responsive Politics. The number of active individual lobbyists increased for the first time since 2007.

Ballard Partners' first year widely outpaced that of firms established by former senators, top White House aides and cabinet members. The second-most lucrative performance by a rookie firm was in 2008, when former Senators John Breaux, a Louisiana Democrat, and Trent Lott, a Mississippi Republican, took in \$8.1 million in their first year running the Breaux-Lott Leadership Group.

Ballard, 55, has become a major player inside the Beltway with a top-notch client list even as Washington pillars such as Tony Podesta have vanished overnight and others with ties to Trump, like former Corey Lewandowski partner Barry Bennett, have had much less success, at least as measured by lobbying disclosures.

"He's very bright, he's very hardworking, he can be as charming as anyone might want and as ruthless as anyone might fear," said Mac Stipanovich, who was running Bob Martinez's 1986 gubernatorial campaign when he first met Ballard. Ballard's success has followed "the same pattern that made him a top lobbyist in Tallahassee, except on steroids," Stipanovich said.

Top 30

While Ballard's firm wasn't the biggest earner last year-- Akin Gump Strauss Hauer & Feld LLP brought in the most, with \$38.7 million in lobbying fees -- Ballard Partners ranked in the top 30. It had a more lucrative debut than the Breaux-Lott Leadership Group and another bipartisan power couple: Jack Quinn, President Bill Clinton's White House counsel, and longtime Republican strategist Ed Gillespie started Quinn Gillespie & Associates in 2000, when it earned \$7.5 million in fees, a Bloomberg analysis of lobby disclosure records found.

Ballard's breakthrough came on election night in November 2016. He was watching the returns come in New York, where he has an apartment. When Florida was called for Trump just before 11 p.m., one client after another called to ask him for help.

“They didn’t have someone that was, not necessarily close, but could kind of speak the language,” he said. In the days that followed, he said, his clients urged him to open an office in Washington.

Foreign Clients

He already represented companies including Amazon.com Inc., Reynolds American subsidiary RAI Services Co., and Uber Technologies, Inc. Since the move to Washington, he also has picked up foreign clients -- a rarity for a rookie lobbying firm. The firm earned \$1.8 million in 2017 by representing the governments of Turkey, the Dominican Republic and Kosovo, according to records filed with the Justice Department.

Ballard entered the lobbying business after serving as the last chief of staff to Martinez, whose term as Florida’s governor ended in 1991. State records show he registered to lobby for 191 clients in 2016.

He no longer lobbies for the Trump Organization, which Florida disclosure reports show he represented from 2013 to 2016. But he’s more than made up for that since coming to Washington.

Never ‘Never Trump’

While Ballard wasn’t one of the earliest Trump supporters, he wasn’t against him either. He initially backed former Florida Governor Jeb Bush in the 2016 primaries, then switched to Senator Marco Rubio, but was never "never Trump," he said. Ballard recommended a partner in his Florida firm to manage Trump’s state primary campaign and agreed to lead Trump’s fundraising operation in Florida after he secured the nomination.

Because Trump’s campaign for the nomination had been largely self-financed, Ballard had to set up Florida’s fundraising operation for the general election from scratch, a task complicated by the bruising primaries and the decision by many Bush and Rubio loyalists to sit out the race.

After the election, Ballard served as vice chairman of Trump’s inaugural committee, which raised a record \$106.7 million, before opening his Washington office. In April, he was named to the Republican National Committee’s finance team.

He carefully picked Washington veterans for his new shop, including former House staffer Dan McFaul, who had managed a pair of congressional campaigns for MSNBC host and Trump nemesis Joe Scarborough.

Washington Insiders

McFaul, former chief of staff for Representative Matt Gaetz of Florida, worked on the appointments team for the transition, recruiting and vetting officials for Defense, Veterans Affairs and the intelligence services. Ballard also hired Rebecca Benn, who had worked for Senator Thad Cochran of Mississippi, and Sylvester Lukis, who’d been a Washington lobbyist before running Ballard Partners’ Miami office. Ballard also brought Susie Wiles, whom he’d detailed as senior strategist to Trump’s Florida campaign team, to Washington.

Former Democratic Congressman Robert Wexler serves as a consultant as does Otto Reich, a diplomat and senior official in the last three Republican administrations. Both work for the firm’s foreign clients. Ballard is also bringing on Jamie Rubin, who was spokesman for Secretary of State Madeleine Albright in the Clinton administration, to lobby his old department.

“Tony Podesta didn’t stop meeting people when he started his firm,” said James Madison University political scientist Tim LaPira, referring to the Democratic insider who co-founded one of the go-to lobbying firms. “Ballard will expand his Washington network well beyond Trump.”

White House Lobbying

Ballard doesn’t discuss individual clients or what he does for them, but the White House is listed as a focus of its lobbying on 194 of the firm’s disclosure reports. That’s more than any other entity and almost twice as many times as the House of Representatives. Stipanovich, the Tallahassee lobbyist, says Ballard’s White House ties have been key to his success, but could also pose a threat.

Clients don’t like scandals, said Stipanovich. “If there were just some kind of ungodly political disaster that befell Trump and all his toadies,” he said, “that stink could spill over on Brian.”