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## Weekly Lobbying Articles

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Northwest Arkansas Democrat Gazette

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### **Cranford admits bribing Arkansas lawmakers**

<http://www.nwaonline.com/news/2018/jun/07/lobbyist-pleads-guilty-in-bribery-schem/>

Milton R. "Rusty" Cranford of Bentonville pleaded guilty this morning to bribing former Arkansas Sens. Jon Woods, Henry "Hank" Wilkins IV and an as-yet unnamed "Senator A" who court documents say received \$500,000 in bribes, attorney's fees and tickets to the 2013 World Series from a Missouri-based nonprofit.

Cranford pleaded guilty to one count of federal program bribery for his role in bribing the lawmakers as Arkansas director of Preferred Family Healthcare of Springfield, Mo. The crime carries a maximum sentence of 10 years in prison. He waived indictment by a grand jury to plead guilty to this new charge in a deal in which other charges were dropped.

In 2013, another, unnamed company that rated behavioral health service providers such as Preferred Family was told Wilkins would use his position on the Joint Budget Committee to make sure its contract was not renewed unless it accommodated requests from Cranford, the lobbyist's plea agreement says.

In all, the three lawmakers steered about \$1 million in state General Improvement Fund money to Cranford's clients, and another \$400,000 to a company he set up, the plea document says.

"Senator A" filed Senate Bill 62 of 2015 and Senate Bill 655 of the same year. The sponsor of those bills, legislative records show, is Sen. Jeremy Hutchinson of Little Rock. Hutchinson, reached by telephone this morning, said he had no immediate comment, but would have a response later.

Cranford was originally charged with nine counts alleging he helped unnamed executives embezzle almost \$1 million from his former client and employer, Preferred Family Healthcare of Springfield, Mo., according to his Feb. 20 federal indictment. The nonprofit behavioral health provider operates in five states, including 47 locations in Arkansas.

Cranford had paid bribes to Arkansas legislators since at least 2010, court documents show.

The embezzled money was used for personal benefit and to pay for illegal lobbying, the indictment says. Federal agents arrested Cranford on Feb. 21 in Rogers. He has remained in custody since, denied bail in part because prosecutors allege he tried to have a co-conspirator killed. Cranford was originally indicted on one count of conspiracy and eight counts of accepting bribes.

Cranford is also named as a co-conspirator of former state Sen. Jon Woods and Rep. Micah Neal, both of Springdale. Cranford paid kickbacks to the two in return for their support of \$400,000 in state grants. Those grants went to a company Cranford set up only after the grants were approved.

Neal pleaded guilty to one count of conspiracy on Jan. 4 of last year in that and other kickback schemes. Woods was convicted May 3 in the same schemes. Cranford was not charged in Arkansas.

Former state lawmaker Henry "Hank" Wilkins of Pine Bluff took about \$80,000 in bribes from 2010 to 2014, according to his April 30 guilty plea. Wilkins' plea documents cited two parties that paid bribes but did not name them. Federal authorities in Missouri confirmed that one was Cranford in a March 16 hearing in which Cranford was denied bail. The other was an unnamed nonprofit based in Pine Bluff that paid Wilkins \$20,000.

Eddie Wayne Cooper of Melbourne, a former state representative who went to work for Cranford's lobbying firm after leaving office in 2011, pleaded guilty Feb. 12 in Missouri to one count of conspiracy. Cooper pleaded guilty to the same embezzlement and illegal lobbying scheme that Cranford was indicted for in Missouri. He also pleaded guilty to further embezzlement involving the same individuals who took another \$3 million from Preferred Family, according to his plea documents. At one time, Cooper sat on the nonprofit's board.

### **Missouri and Cooper**

Cranford's indictment stems from a plan by former Preferred Family executives, including Cranford, to hire Philadelphia-based political consultant Donald Andrew "D.A." Jones to lobby Congress on the company's behalf. Cranford oversaw Preferred Family's operations in Arkansas at the time.

Jones pleaded guilty Dec. 18 in Springfield in a scheme to embezzle money and pay Jones \$973,807 from April 2011 until January of 2017. In return, Jones used the money for political contributions and other unlawful lobbying and "political advocacy," Cooper's plea agreement says. That influence was used to obtain more donations and taxpayer funds that could be skimmed, the plea says.

Nonprofit companies such as Preferred Family that receive federal taxpayer money through Medicaid and other programs and grants cannot legally lobby and contribute directly to campaigns to get more, Jones' plea documents say. The money was disguised in the nonprofits' records as reimbursements to participants in the plot for business expenses they never incurred, along with training and consultant costs.

Another aspect of the scheme is that Jones channeled some of the money back to his benefactors including Cranford and Cooper, according to Jones' and Cooper's plea documents. Cranford and Cooper were charged in Cranford's original indictment of taking kickbacks from Jones that totaled \$264,000, much of it going to Cranford's lobbying firm.

Cranford and Cooper's lobbying firm, not identified in court documents, received \$3 million from Preferred Family for illegal lobbying, according to Cooper's guilty plea. Cooper was a registered lobbyist for the Cranford Coalition Inc. from 2011 to 2015. The \$3 million in payments was called "consulting services" on the nonprofit's books, according to Cooper's guilty plea.

### **Woods and Neal**

Neal received \$20,000 in cash passed along from Woods as his part of the kickback from a Sept. 26, 2013 grant totalling \$400,000 to AmeriWorks of Bentonville, Neal said in his plea agreement. Woods' share is unknown because he was also paid in cash, according to statements by federal prosecutors at Woods' trial.

The two state lawmakers began supporting a grant of \$400,000 to AmeriWorks two months before it incorporated, grant records show.

The money for the grant came from the state's General Improvement Fund. Grants from the fund are obtained through the recommendations of state legislators. The AmeriWorks grants were distributed through the Northwest Arkansas Economic Development District based in Harrison.

AmeriWorks job training program failed to gain additional financial support and never got off the ground, according to an Aug. 13, 2014 letter from Cranford to the Northwest district returning the \$400,000. Court documents in Woods' case later revealed the money was returned shortly after federal investigators began asking Cranford questions about the grant.

The \$400,000 weren't the only Improvement Fund awards AmeriWorks sought and received. The nonprofit group also received a \$100,000 state grant recommended by a third lawmaker through the White River Planning and Development District, based in Batesville, records show. The Batesville-based grant was diverted to long-standing behavioral health services provided by Preferred Family with the White River district's knowledge and consent, grant records show.

The co-founder of AmeriWorks was the late David Carl Hayes, a Springfield accountant and former member of the board of Alternative Opportunities, as Preferred Family was known until 2015. Hayes killed himself in November after pleading guilty June 12 to embezzling almost \$2 million from the nonprofit and another \$1 million from clients of his accounting business in another federal case in Missouri.

### **The Wilkins case**

Wilkins resigned as Jefferson County judge after his name came up in Cranford's March 16 bail hearing. Assistant U.S. Attorney Steven M. Mohlhenrich told U.S. Magistrate David P. Rush at that hearing that Wilkins had confessed to taking bribes from Cranford. The payments were disguised as donations to the church where Wilkins was pastor.

Wilkins made his statement to the FBI on Feb. 22, Mohlhenrich told Rush. The payments were for services rendered from 2011 to 2015, while Wilkins was a lawmaker, but continued after he left the Legislature to disguise the payments' purpose, Mohlhenrich said and Wilkins plea documents say.

Wilkins both supported legislation favored by Cranford and steered grants to programs Cranford supported, including clients of the lobbyist, Wilkins' plea bargain said.

**Alaska Public Media**  
**June 6, 2018**

**Legislative ethics bill will keep issue off fall ballot**

<https://www.alaskapublic.org/2018/06/06/legislative-ethics-bill-will-keep-issue-off-fall-ballot/>

It looks like voters will not have a chance this fall to weigh in on a legislative ethics ballot measure. Alaska's Lieutenant Governor and the attorney general's office have determined a bill passed by the legislature this spring is similar enough to keep the issue off the ballot.

More than 40,000 voters last year signed a petition to put the Alaska Government Accountability Act on the ballot. It seeks to end per diem pay for legislators if they fail to pass a budget in the first 121 days of the session. It would also toughen state law on financial conflicts of interest for legislators, gifts from lobbyists, reimbursement for foreign travel and campaign spending by foreign corporations. House Bill 44, passed in May, would do many of the same things.

Sitka Democrat Jonathan Kreiss-Tomkins has backed both the ballot measure and the legislation. He prefers a public vote on the issue but called the reforms in the legislation a huge improvement over the existing situation in Juneau.

"You know the no-budget, no-pay concept which I think is a substantial disincentive to be in session for months and months and send out pink slips and all the dis-function that we've seen the last three years," Kreiss-Tomkins said. "Some reforms with lobbyists buying legislators hundred-dollar dinners at fancy restaurants which I think just disagrees with people's sense of probity and propriety, particularly when by the way we do get per diem every day so we can buy our own meals, or should be."

The attorney general's office looked at the ballot measure and the legislation and concluded the two were similar enough that the measure should be bumped off the ballot and the lieutenant governor agreed. Prior to that decision, Governor Bill Walker in May said he's likely sign the bill if it was found to be similar enough to the ballot measure.

"I like the idea of it going to a vote in some respects," Walker said during a visit to Petersburg in May. "The advantage of that is it can't be changed for a couple years. Once it goes to a vote that's the advantage of that. So I like the people being able to say something about that but if it's substantially similar, I think to veto it just so there could be a vote, I think that's probably not in the best interest, but I do like the idea of people being able to vote on that, I do."

Walker also proposed cutting off both salaries and per diem pay for lawmakers if they didn't pass a budget by the 90-days session limit passed by voters in 2006. That successful ballot measure hasn't had a lasting impact on the length of sessions. Lawmakers have continued to meet well after that deadline, including last year, when it took multiple special sessions and the legislature waited until days before a shutdown of state government before passing a budget bill.

Nikiski Republican Mike Chenault was one of 15 in the House voting against the ethics reform bill this year and said he doesn't know how effective it will be.

"We stay in Juneau a lot longer anymore but most of that's not due to the budget cycle, most of that's due to the governor calling us back for either additional revenue measures or some other piece of

legislation, the gas pipeline, things like that,” Chenault said, also during a recent visit to Petersburg. “I think we can get our business done in 90 days. I don’t think we should be there any longer.”

Past legislatures have passed a bill, keeping an issue off the ballot, only to turn around and repeal that bill later. The constitution prohibits that within two years of the passage of a ballot initiative. Those who oppose the reforms say they’ll start making changes in next year’s session.

“I personally feel the restriction of no alcohol allowed to be purchased by a lobbyist in a dinner, you know, not a glass of wine, not anything, is a little ridiculous,” Sitka Republican Bert Stedman said.

Stedman is among the six voting against the bill’s passage in the Senate. He expects the legislative council, made up of House and Senate members, to address any ethical problems for lawmakers and he opposes the changes in the bill and the ballot initiative.

“So the legislature took action on it themselves so we’ll be back changing it next year,” Stedman said. “Frankly there’s some things in it that are just ridiculous. You know it’s a feel good type of bill. We don’t have the legislative ethic issues we had a decade ago, anywhere near that I’m aware of.”

Other lawmakers have said the reforms will make it so they can’t afford to continue to work in the legislature.

Supporters of the reforms including Kreiss-Tomkins say they’ll fight attempts to change or repeal the legislation next year. They can still challenge the ruling knocking the issue off the ballot.

**The Virginian-Pilot**  
**June 6, 2018**

**After Cohen debacle, shareholders hope AT&T will be more transparent about political spending**

[https://pilotonline.com/business/banking/article\\_bf9111e3-6f63-5ae9-a824-be5ead03b43d.html](https://pilotonline.com/business/banking/article_bf9111e3-6f63-5ae9-a824-be5ead03b43d.html)

Long before AT&T found itself in the crosshairs for hiring President Donald Trump’s personal attorney Michael Cohen, some of the telecom giant’s shareholders sent up a warning: Secrecy surrounding how it spends money in Washington could put the company’s reputation at risk.

For five years, a group of shareholders has pushed Dallas-based AT&T to disclose how much it funds industry groups and tax-exempt organizations that engage in political activities.

AT&T is not unique. Increasingly, companies are facing pressure from shareholders to reveal how they spend money to influence legislation in Washington. But those concerns took on new relevancy at AT&T last month, when it became public that the company paid \$600,000 to Cohen to advise on various matters, including its pending merger with Time Warner.

While AT&T says Cohen did no lobbying, the payments caused the company embarrassment, as it came to light that Cohen also made payments to Stormy Daniels, a porn actress who alleges she had an affair with Trump. AT&T CEO Randall Stephenson sent an apology to all employees, calling the hire of Cohen “a big mistake” and saying the head of its lobbying group in Washington would leave the company: “In this instance, our Washington D.C. team’s vetting process clearly failed, and I take responsibility for that,” he wrote.

Asset management firm Dana Investment Advisors was among the shareholder groups who unsuccessfully pressed for a resolution at the recent AT&T annual meeting that calls for a new annual report that lists AT&T's affiliation and payments to trade groups and politically active tax-exempt organizations. Though the resolution would not have applied to the Cohen payment, the shareholders say the incident highlighted why companies that are not open about their spending in Washington are courting danger.

"Shareholders have a right to know what these millions and millions of lobbying dollars are being spent on." said Ann Roberts, a Dallas-based analyst for Dana Investment Advisors.

And as for Cohen, she said, "this just validated our case for transparency."

AT&T has not said what changes, if any, it will make to how its lobbying team does business. The company declined to comment on its search for the group's new permanent leader. For now, the group is reporting to AT&T's general counsel David McAtee.

#### Army of lobbyists

AT&T is one the nation's biggest spenders when it comes to lobbying. The company spent nearly \$17 million last year on federal lobbying, ranking ninth among all groups, according to data from the Center for Responsive Politics. Among corporations, it was outspent by only Blue Cross Blue Shield and Alphabet, the parent company of Google. That sum does not include AT&T's lobbying efforts on the state or local levels or other types of political spending, such as donations to campaigns of political candidates or contracts with advisers, such as the one it had with Cohen.

AT&T has a team of more than 100 lobbyists, the vast majority of whom have previously worked for the government.

As a telecom, AT&T is a highly regulated company with matters that often go before regulators like the Federal Communications Commission and Justice Department. They range from the sale of spectrum to the approval of its pending acquisition of Time Warner, a deal that's valued at nearly \$109 billion including debt.

After Trump was elected, AT&T said in a statement released in May that it turned to Cohen and a number of other consultants "to provide insights into the new administration."

Cohen, a longtime fixer for Trump, has become ensnared by the investigation of special counsel Robert Mueller into possible Russian interference in the presidential election. His office was raided by the F.B.I. in April. AT&T said it got a call in the fall from the special counsel's office regarding its payments to Cohen.

#### Watchdog worries

Cohen is not a registered lobbyist, but some advocacy groups have challenged that. A watchdog group, Public Citizen, filed complaints with Congress and the Justice Department saying the New York attorney broke the law by not registering as a lobbyist before accepting payments from AT&T and other companies.

AT&T releases a political engagement report each year that lists the federal and state candidates, political action committees and political party committees that the company funded and the amount of

its contributions. Like other companies, it is required by law to file federal lobbying reports with the U.S. House of Representatives and the U.S. Senate.

But some aspects of its lobbying are difficult to track and other spending cannot be tracked at all. The money it spends on state lobbying is dispersed across state websites. And some of the money it spends — which is given to trade groups and 501(c)(4)s, tax-exempt social welfare organizations that can participate in political activities like lobbying or writing model legislation, is untraceable.

AT&T does not share the names of trade groups and tax-exempt groups that receive its money, aside from a few industry associations that it lists in its annual report. The U.S. Chamber of Commerce, for example, which AT&T reportedly belongs to, spent more than \$82 million on federal lobbying in 2017, according to the Center for Responsive Politics — more money than any other group or corporation.

Roberts, the analyst for Dana Investment Advisors who introduced the resolution about lobbying disclosure in April, called the money that goes to trade groups “the major veil of secrecy.”

Those gaps have prompted activist shareholders to call for more transparency. AT&T shareholders have voted on a nearly identical proxy resolution at the annual meeting since 2014. The measure calls for an annual report with details about AT&T’s lobbying payments, its membership and payments to any groups, such as trade associations or tax-exempt organizations, and its decision-making process and oversight of those expenditures.

The lobbying proposal earned the recommendation of International Shareholders Services, a global firm that advises asset managers, hedge funds and other shareholders about how to vote on proxies at annual shareholder meetings.

About 34 percent of shareholders voted in favor of the proposal at AT&T’s annual shareholder meeting in April. The news of Cohen’s contract broke less than two weeks later.

AT&T encouraged shareholders to vote against the proposal. It said the company complies with the law and “is committed to adhering to the highest ethical standards when engaging in any political activities.” And it said putting together additional reports wouldn’t be a good use of company resources.

Blackrock and Vanguard Group, two of the top shareholders for AT&T, have voted against the lobbying disclosure proposal.

Shareholders filed a similar proposal with nearly 50 companies this proxy season, according to Walden Asset Management, which filed or co-filed about a dozen of them. Walden manages investment portfolios of foundations, religious groups, not-for-profits and pension funds.

Shareholder votes are not legally binding, but they can send a signal to companies and in some cases, prompt them to make changes, said Timothy Smith, director of shareholder engagement for Walden. And he said it’s in the interest of the company to be proactive.

“Lobbying and political spending can end up being highly controversial and hurt the company’s reputation,” he said. He pointed to the words of AT&T’s own CEO. In the mid-May letter to employees, Stephenson said AT&T’s “reputation had been damaged” because of its affiliation with Cohen.

For example, the majority of shareholders for Irving-based Exxon Mobil voted for a proposal at the 2017 annual meeting that called on the oil giant to publish an annual assessment of how climate change policies and tech advancements could hit its bottom line.

After the landmark shareholder vote, Exxon agreed to report the risks climate change posed to its business. Other energy companies began making similar disclosures — even without a proxy fight.

#### Transparency benefits

Each year, the Washington-based Center for Political Accountability and the Wharton School at University of Pennsylvania put together a report that ranks political disclosures among the S&P 500.

Nanya Springer, a vice president for programs at the Center for Political Accountability, said she's seen more companies volunteering details about payments to trade associations and trying to control how the groups use their funds, such as restricting their use for lobbying or towards political campaigns.

More than 20 percent of the S&P 500 — 110 companies — publicly disclose the names and amounts they give trade associations, according to their annual report. And about 15 percent — 77 companies — publicly disclose the names and amounts they give 501(c)(4) groups.

Several dozen companies, including Boeing, HP, Cisco Systems and IBM, have restricted membership to the groups or don't allow the groups to use their money for electoral spending.

"Before it was something they (companies) didn't think about," she said. "But nowadays, you can't say keeping this secret is a common practice or a best practice. There is clearly a move toward transparency."

This spring, Houston-based energy company ConocoPhillips agreed to release more information about its lobbying activities, including sharing the names of trade groups that received \$50,000 or more of funding. The decision prompted Walden to withdraw a shareholder resolution.

In some cases, AT&T and other companies are paying thousands of dollars to companies that lobby for positions that are contrary to their own.

Smith of Walden points to AT&T's membership in the U.S. Chamber of Commerce, which has criticized steps to address climate change and its membership in the Business Roundtable, which has lobbied to limit investors' rights to file shareholder resolutions. AT&T is also reportedly member of the American Legislative Exchange Council, a right-leaning organization backed by the Koch brothers, that's promoted "Stand Your Ground" laws and bills to weaken labor unions, tighten voter identification rules and repeal state renewable energy standards.

Dozens of companies, including Google, Coca-Cola, eBay, AOL and T-Mobile have left ALEC because of its public policy positions.

AT&T says it doesn't always agree with the positions of the groups it belongs to, but Walden said the company should explain why those affiliations are worth the investment and reputational risk.

Smith said it's difficult to predict whether the Cohen news will become a catalyst or a distant memory by next spring's annual meeting. But he said Walden plans to put forward the proxy resolution about lobbying disclosures again.

“These are sometimes the tipping points that make institutional investors who’ve said for a few years ‘Gee, I’m not interested’ think again,” he said.

**Bangor Daily News**  
**June 5, 2018**

**After years as a lobbyist, Betsy Sweet now runs as foe of ‘big money in politics’**

<https://bangordailynews.com/2018/06/05/politics/after-years-as-a-lobbyist-betsy-sweet-now-runs-as-foe-of-big-money-in-politics/>

Democratic gubernatorial candidate Betsy Sweet has a long money trail in Augusta, rivaling some of the most prolific and powerful lobbyists in the state.

She has brought in \$762,500 to her firm, Moose Ridge Associates, since 2008, making her the 12th highest-paid lobbyist of the last decade, by Ethics Commission records. At the same time, she’s running with public funds to get the influence of big money out of politics.

That’s just one of the apparent contradictions in her campaign: She’s also a spiritual counselor and vlogger who practices alternative medicine while lobbying for groups like the Maine Primary Care Association and the American Cancer Society.

She’s a longtime Augusta lobbyist who doesn’t shy from being an “insider”; she asks to be judged by the clients she’s represented.

Most are social service agencies. Sweet has been paid to advocate for funding for mental health programs, services for elderly Mainers, environmental protection and changes to the state’s medical marijuana rules.

“I work to represent those clients and only take on clients whose mission I agree with,” Sweet said.

And so, that list itself provides insight into both Sweet’s work and her beliefs about what should change in Augusta.

Causes come first

While Sweet has made a career lobbying Maine lawmakers, she’s operated differently than her cohort of the state’s most prolific lobbyists. In the past decade, she’s sustained her Hallowell based lobbying business on 24 relatively small-money clients, who pay a flat fee for her advocacy.

It raises the question of how she ranks 12th based on disclosures to the Maine Ethics Commission. And, yet again, a somewhat unusual answer: She reports more than required, listing the entire flat fee paid to her firm.

Lobbyists aren't required to report the fee they charge for reserving their services, called a retainer.

"Some will put down their retainer and some won't," said Paul Lavin, assistant director of the Maine Ethics Commission. "Some people," such as Sweet, "will over-report."

Lobbyists are only required by law to report the time for which they're paid to "communicate directly" or prepare communications with elected officials, and only when that communication intends to influence a legislative action or veto.

But Sweet said her firm lists everything her clients pay. Not all of the money reported in her name lands in her pocket, she said. The money has been split with three or four independent contractors, depending on the session, who work on bills as "associate" lobbyists.

Increasingly, that's a role Sweet's taken on as she steps back from the business. In the previous Legislature, she was listed as an "associate" lobbyist on about as many bills as she was the "primary" lobbyist. In the last Legislature, she listed just one client. If elected, she said she'd close up shop.

Her largest and steadiest client is the Behavioral Health Community Collaborative, a collection of agencies providing mental health services, including Sweetser, The Opportunity Alliance and Spurwink. The collaborative was her only direct client during the most recent legislative session.

Express advocacy

For those social services groups, most of Sweet's work has focused on health care spending in the biennial budgets during Gov. Paul LePage's administration.

"The common thread is to make sure that Maine's most vulnerable people are protected by receiving the services they need — and that often comes down to priorities," Sweet wrote in response to questions about her lobbying history. "It is always a challenging fight, but the last 8 years have been particularly difficult."

For her top client, she worked on three biennial budgets.

During LePage's first term, with freshly minted Republican majorities in the House and Senate, she represented 10 different social service organizations lobbying on that budget. They included the AARP, Disability Rights Maine, the Maine Primary Care Association and the Maine Coalition to End Domestic Violence.

LePage staked out domestic violence prevention as a top priority of his administration, which Sweet applauded, but she said there were few changes in policy or funding.

"I appreciate and I think it's important for men to speak out about domestic violence," Sweet said. "I think that's an important piece of this, but it's also going to take policies and funding and education."

To a lesser degree, Sweet has represented environmental groups, such as the Maine League of Conservation Voters, and medical marijuana advocates with the Maine Association of Dispensary Operators.

For the medical marijuana group, Sweet worked on 24 bills over two sessions, but Sweet said she got out of that advocacy when retail marijuana legalization came on the horizon.

"We all felt very strongly that we wanted to maintain the medical program and that's what we were trying to make sure was possible in the two years that we were representing them," Sweet said.

Outside of her lobbying work, Sweet has taken issue with medical approaches that turn first to prescription drugs as a solution.

As governor, Sweet said she'd be a proponent of evidence-based medicine, but she also runs an alternative medicine and therapy business called SweetSpirit that employs the scientifically unproven practices of Reiki, a Japanese healing technique, and tapping, with roots in ancient Chinese treatment methods, both considered in the realm of "energy psychology."

The National Institutes of Health said that Reiki "hasn't been shown to have any harmful effects," but noted that there's little research into its overall effectiveness either.

Sweet said she agrees with the NIH that Reiki and other alternative medicine treatments should not replace conventional Western medicine.

"I'm not evangelical about it," Sweet said. "I don't try to push it on people, but for people for whom other things have not worked and this does work, then this is a wonderful thing — to have more tools."

Sweet said she's open to the idea that acupuncture or other alternative treatments could play a role in addressing issues ranging from post-traumatic stress in combat veterans to drug addiction. That kind of openness, she said, sets her apart in the Democratic field.

"[Democratic U.S. Sen.] George Mitchell said we have two ears and one mouth for a reason and I've never forgotten that," Sweet said.

**The Bristol Bay Times**  
**June 2, 2018**

**Unalaska hires state lobbyist on sole-source contract**

[http://www.thebristolbaytimes.com/article/1822unalaska\\_hires\\_state\\_lobbyist\\_on\\_sole-source](http://www.thebristolbaytimes.com/article/1822unalaska_hires_state_lobbyist_on_sole-source)

Unalaska's new state lobbyist says she is very well connected in the halls of power. But one city councilor thought she was a little too well-connected locally, when the city council last week awarded a \$71,000 sole-source contract to former state Labor Commissioner Dianne Blumer.

Vice Mayor Dennis Robinson said the position should have been advertised with a request for proposals. But he expressed "utmost confidence" in her abilities, and voted with the rest of the council to hire her for the job being vacated by longtime Juneau lobbyist Ray Gillespie.

"I am on a first name basis with all 60 legislators and know my way around the state administration. As a result of my positions with the state of Alaska I have had the opportunity to build an impressive network across the entire state with business and industry leaders as well as political leaders," Blumer wrote in an April 5 letter to Mayor Frank Kelty.

Blumer has spent the last year working with Gillespie's firm, where city council members were impressed with her work.

"City council's directive to Thomas Thomas is to enter into a sole source contract with Dianne Blumer," according to the memo from the city manager's office. City Manager Thomas and Blumer negotiated the contract for \$71,000, plus "reasonably documented expenses for travel, lodging, food, copying and similar type expenses."

Gillespie put in a plug for Blumer when he announced his planned retirement last year.

"I am confident you will like my assistant and find her very well qualified to represent your interest. Naturally, it is always the city's option to put the contract out for an RFP," — request for proposals — Gillespie wrote.

The lobbyist's job is to support the city's interests in the state capital, including seeking funding for public construction projects, and representing the city council's position on proposed state laws.

"I have enjoyed my work with the city of Unalaska for the past 28 years, but it is time for me to take a break and pursue other personal interests such as woodworking, traveling and being a father to my two grown daughters, who are just starting their careers," Gillespie said.

Blumer, now of Anchorage and originally from Ketchikan, said she is a lifelong Alaskan from a family of commercial fishermen. "I am a born and raised Alaskan and grew up on a fishing boat. I spent 26-plus years working for the state of Alaska in various positions including working for the Alaska Marine Highway System, state director of personnel and labor relations and served as the state commissioner for the Department of Labor and Workforce Development.

"I have also, during that timeframe, been an independent business owner of several businesses including an air taxi operation and am a commercial property owner."

As labor commissioner between 2012 and 2014, she served in the cabinet of former Republican Gov. Sean Parnell, where she said she managed \$185 million budget and 1,100 employees.

Blumer starts work on July 1, an important date, she said.

"It is my opinion that getting a contract firmed up July 1, 2018, provides an opportunity for your representative/lobbyist to be informed on all matters prior to the 2019 legislative session. I am willing to travel out to Unalaska, on my dime, this spring to meet the remainder of the city council folks."

Blumer attended last week's city council meeting in Unalaska.

Prior to starting work with Gillespie last year, she served as the chief of staff for State Rep. Gary Knopp, R-Kenai, for eight months, and for the previous two years was a senior policy adviser for State. Sen. Lesil McGuire, R-Anchorage.

Her \$71,000 contract with the city is paid in monthly installments, at \$14,200 during the legislative session between January and April, and \$1,775 for the other eight months.

The city is now saving \$8,000 per year on Juneau lobbying. Gillespie's current contract expiring June 30 pays \$79,000 plus expenses, with 80 percent paid during the winter legislative session, at \$15,800 monthly during the session, and \$1,975 a month the rest of the year, according to the professional services agreement signed June 20, 2017 with former Unalaska City Manager David A. Martinson.

Gillespie's pay has more than doubled since starting work at \$35,000 in 1991. "The relationship with the city has been one of my most prized professional accomplishments," the retiring lobbyist wrote in his goodbye letter to the mayor.

**WTHR**  
**June 2, 2018**

**Lobbyist tied to EPA chief's condo tried to influence agency**

<https://www.wthr.com/article/lobbyist-tied-to-epa-chiefs-condo-tried-to-influence-agency-2>

Newly filed reports show the Washington lobbyist whose wife rented a bargainpriced Capitol Hill condo to Environmental Protection Agency Administrator Scott Pruitt had far more contact with the agency than previously disclosed, despite repeated denials by both men.

Powerhouse lobbying firm Williams & Jensen amended its 2017 disclosure filings to show that former chairman J. Steven Hart contacted EPA on behalf of the Coca-Cola Company, pork producer Smithfield Foods and a board overseeing the finances of hurricane-ravaged Puerto Rico.

Pruitt has denied that Hart lobbied his agency in 2017, most recently during congressional testimony last month. The firm amended its required federal lobbying disclosures after an extensive review of Hart's emails, calendar entries and other materials.

Hart was forced to retire early as a result of the scandal that erupted following public disclosure of the EPA chief's unusual living arrangements. Pruitt has denied wrongdoing, describing Hart as a personal friend from his home state of Oklahoma.

In a statement, Williams & Jensen said Hart had failed to fully disclose his lobbying activities to his own firm, resulting in prior reports omitting information. Federal law requires lobbyists to file quarterly reports detailing their contacts with government officials, including the clients they were representing, what topics were discussed and how much they were paid.

"Following press reports of a former member of our firm engaging in lobbying activity that had not been disclosed, we engaged outside counsel to conduct a review of relevant filings," the firm's statement said. "Following the completion of that review and the advice of counsel, today the firm filed amendments to several disclosure reports that include information that was not previously disclosed to our firm and therefore not included in the original filings."

Both Pruitt and Hart have publicly denied the lobbyist had conducted any business with EPA in 2017. At a May 16 hearing before a Senate appropriations subcommittee, the embattled EPA chief erroneously insisted that Hart had not lobbied the government last year.

"Steve Hart is someone that was not registered as a lobbyist in 2017," Pruitt testified. "He's a longtime associate and friend."

Records showed that Hart was in fact a registered lobbyist in 2017, though at the time it had not yet been formally disclosed that he directly lobbied Pruitt's agency. Federal law makes it a crime to "knowingly and willfully" give materially false statements to Congress.

EPA spokesman Jahan Wilcox did not respond to requests for comment Friday night about whether Pruitt still stood by his testimony.

A spokesman for Hart did not respond to phone or email Friday.

Pruitt's connections to Hart have been under intense scrutiny since March, when media reports first revealed that the EPA chief had rented a luxury Capitol Hill condo from a corporation coowned by Hart's wife for just \$50 a night. Pruitt's daughter, then a White House summer intern, stayed in a second bedroom at the condo at no additional cost.

On Pruitt's 2017 condo lease, a copy of which was reviewed by The Associated Press, Steven Hart's name was originally typed in as "landlord" but was scratched out. The name of his wife, health care lobbyist Vicki Hart, was scribbled in.

The AP and other media outlets reported in April that Pruitt had met in his office last year with Hart on behalf of the philanthropic arm of Smithfield Foods to discuss efforts to preserve the Chesapeake Bay. The world's largest pork producer, Smithfield has been involved with efforts to clean up the bay since EPA fined the company \$12.6 million in 1997 for illegally dumping hog waste into a tributary.

The amended disclosure report filed Friday by Williams & Jensen acknowledges the meeting between Hart and Pruitt constituted lobbying, as did additional communications by the lobbyist with Pruitt's staff to recommend potential candidates for a science advisory board and other positions appointed by the EPA administrator.

A spokeswoman for Smithfield did not respond to a request for comment Friday.

The new disclosure report says Hart also lobbied EPA in 2017 on behalf of the Financial Oversight and Management Board for Puerto Rico about water quality and infrastructure in the wake of Hurricane Maria. A spokesman for the oversight board did not immediately respond Friday to an email seeking comment.

The firm also disclosed for the first time that Hart had contact with EPA on behalf of Coca-Cola. According to the reports, Hart lobbied the agency about clean water supplies, water conservation and "environmental issues impacting the beverage industry, including hydrofluorocarbon replacement."

Hydrofluorocarbons are potent greenhouse gases commonly used for refrigeration. Under the Obama administration, EPA had sought to phase out the use of hydrofluorocarbons because they contribute to global warming, but the effort was stymied after industries challenged the proposed ban in court.

In a statement issued Friday, Coca-Cola said the company has severed ties with Williams & Jensen.

"The Coca-Cola Company is committed to the highest level of integrity in all aspects of our business, and we expect our lobbying firms to uphold that same commitment," the statement said.

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**Wisconsin Republicans accuse Democratic governor candidates of campaign finance 'hypocrisy'**

[https://host.madison.com/ct/news/local/govt-and-politics/election-matters/wisconsin-republicans-accuse-democratic-governor-candidates-of-campaign-finance-hypocrisy/article\\_4d1163a9-6921-5cdb-a5aa-fd33b97df442.html](https://host.madison.com/ct/news/local/govt-and-politics/election-matters/wisconsin-republicans-accuse-democratic-governor-candidates-of-campaign-finance-hypocrisy/article_4d1163a9-6921-5cdb-a5aa-fd33b97df442.html)

Wisconsin Democratic gubernatorial candidate Kelda Roys says she's proud to have supporters holding fundraisers for her throughout the country and that's not at odds with comments she's made about building a campaign "a dollar or two dollars" at a time.

Mahlon Mitchell, another Democratic candidate for governor, says the state's campaign finance system and contribution limits are "out of whack" and need to change — although he has accepted a PAC contribution of the maximum \$86,000 limit.

Meanwhile, Republicans say neither candidate is walking the walk when it comes to their talk decrying the influence of money in politics.

"The highly flawed Democrats running for governor hypocritically condemn money in politics until it's being spent in their favor," said Republican Party of Wisconsin spokesman Alec Zimmerman in an email. "As each candidate tries to outmatch the next on their anti-money rhetoric, they're actually maneuvering to court big money liberal special interests from around the country."

Roys, a startup founder and former state lawmaker, and Mitchell, the head of the state's firefighters' union, are two of 10 Democratic gubernatorial candidates who have earned enough signatures to land on the ballot and to speak at the party's state convention this weekend in Oshkosh.

Mitchell made news earlier this month for comments he made to Democrats at the University of Wisconsin-Madison about campaign finance reform. Mitchell, who is registered as a lobbyist for the Professional Fire Fighters of Wisconsin, told the group, "We need to get lobbyists, lawyers and that out of the state Capitol."

At the same speech, made in April, Mitchell decried changes made by state lawmakers raising contribution limits for political campaigns. Under the changes, individuals can donate up to \$20,000 to gubernatorial candidates, up from \$10,000 previously. Political action committees, or PACs, can now donate up to \$86,000, up from \$43,000.

"We've doubled our rates. A PAC, as a governor, you used to be able to accept ... \$43,000. Now a governor candidate can accept \$86,000 in a PAC," Mitchell told the group. "Politics is way, way, getting out of whack with actually taking care of people."

But Mitchell's own campaign has been heavily funded by PACs, according to his most recent campaign finance report. Reports for gubernatorial candidates were last due in January, with a new set due in July.

According to Mitchell's January report, he received about \$95,000 in total from individuals, and about \$300,000 from committees — including one \$86,000 contribution from the International Association of Fire Fighters' FIREPAC.

A Mitchell campaign spokeswoman did not specifically address the PAC contribution.

"Mahlon has a front row seat to how business gets done in Madison, representing firefighters across the state as the President of the PFFW, and the bottom line is we can't fund our schools, raise wages, or fix our roads until we break the corporate stranglehold on our state government," said spokeswoman Kirsten Allen in an email. "It's a huge problem when Scott Walker turns around and hands the Foxconn contract to his campaign finance chairman. Working Wisconsinites need a champion in the capitol who will lobby on their behalf, and that's why Mahlon's running."

Roys was asked by an audience member at a WisPolitics luncheon earlier this month about her travels throughout the country to Chicago, Los Angeles, New York and Washington, D.C. to raise campaign cash.

The question was framed in the context of a statement she made on the Milwaukee-based "414 Wisconsin" radio show, encouraging people to support her campaign.

"We take a dollar or two dollars from people, that's how we're putting our campaign together so that everyone can be invested and have a seat at the table," Roys said on the show in April.

The audience member asked Roys if it was "hypocritical" to hold fundraisers in large cities outside of Wisconsin in light of that appeal.

"Not at all," Roys said. "I understand the reality that we need money to get our message out to reach voters who might not be paying attention ... and I'm really proud that we have received support and donations from people, large and small, all around the state, and all throughout the country."

Roys said "wherever you go" throughout the United States, people know Wisconsin and have connections to the state.

"Frankly, when we're going up against somebody who's the darling of the right wing, who's taken tens of millions of dollars from the wealthiest special interests in this country, from the NRA to the Koch brothers, the fact that we've got some Badger grads in places all throughout the country who are going to support me because they want to see Wisconsin succeed, I think that's an argument I'm willing to have every day," Roys said.

Campaign spokesman Brian Evans said Roys has "a network of grassroots supporters that spans the country thanks to our viral campaign video," referring to a video that earned national headlines in

March in which Roys breastfed her baby on camera. Evans said Roys' support outside of Wisconsin comes from "small-dollar donors across the country."

"Scott Walker has more billionaires backing him than we've got Democrats running for governor," Evans said in an email.

Zimmerman said hypocrisy from the left on money in politics "knows no bounds ... whether it's Kelda Roys condemning dark money and claiming to raise support a dollar at a time while actually recruiting high-end liberal donors on the East and West Coasts, or Mahlon Mitchell decrying the very kinds of donations that are fueling his campaign."