

# MULTISTATE

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## **Lobbyist claims California state senator threatened her**

State Sen. Joel Anderson is facing an investigation after a lobbyist said he threatened to hit her during a fundraiser at a Sacramento restaurant last week.

California Nurses Association lobbyist Stephanie Roberson filed a complaint with the Senate Rules Committee, said Bonnie Castillo, executive director for the nurses' union.

Castillo said the incident occurred Aug. 13 during a fundraising event at the Diplomat Steakhouse, a bar and restaurant across the street from the California Capitol. The restaurant escorted a man, allegedly Anderson, out of the restaurant for threatening to strike a woman, a restaurant spokesman told [The Sacramento Bee](#).

"This threat was observed by restaurant staff who immediately intervened and escorted the male out without further incident," spokesman Patrick Harbison said.

Anderson called the incident a "misunderstanding" and said his comments weren't directed at Roberson.

"I have the utmost respect for Stephanie and I sincerely regret my word choice that was not directed at her. I welcome the Rules Committee investigation to clear up this misunderstanding," he said Tuesday in a statement.

Anderson is the latest California lawmaker to face accusations of inappropriate conduct or behavior. The state Legislature has been re-examining its harassment policies since last year, when nearly 150 women signed a letter detailing what it said was a pervasive culture of harassment by men at the Capitol.

Three male lawmakers resigned and at least one female lawmaker is the target of an investigation over groping allegations.

Anderson, of Alpine, is prevented by term limits from seeking re-election. He's now running for a state tax board called the Board of Equalization.

The California Nurses Association called on him to resign and end his campaign. Castillo said the union is reviewing legal action.

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## **Cuomo signs bill banning use of paid intermediaries to win state pension fund business**

Gov. Cuomo signed a law Tuesday that bars firms from using well-connected middlemen to get business with the state pension fund — a piece of legislation that has long been pushed by the state controller.

The bill puts into law a policy adopted by Controller Thomas DiNapoli nearly a decade ago amid a massive pay-to-play scandal highlighted in a series by the Daily News involving his predecessor, investigated by the then-attorney general, Andrew Cuomo.

“Placement agents raise the risk of pay-to-play practices which erode trust in the pension system and place the hard-earned dollars of its members at risk,” Cuomo said.

The Legislature this year passed the bill sponsored by Sen. Martin Golden (R-Brooklyn) and Peter Abbate (D-Brooklyn) to ban the use of placement agents, paid intermediaries and registered lobbyists in obtaining investments from the state pension fund, which is run by the state controller.

DiNapoli had been championing the measure for years.

“When I became state controller, I undertook a comprehensive review of the state pension fund’s operations to restore its reputation after the previous administration’s wrongdoing,” DiNapoli said. “It was clear to me that placement agents were corrosive and unnecessary.”

That Cuomo and DiNapoli jointly announced the signing of the bill is a rarity itself since the two have had a frosty and often tense relationship dating back to when Cuomo was the attorney general investigating the controller’s office scandal.

The probe, which began in 2007, resulted in eight people being charged criminally, including two, former state Controller Alan Hevesi and his political guru Hank Morris, who went to prison.

Hevesi served 20 months of a one-to-four-year prison sentence after pleading guilty to accepting more than \$1 million in travel expenses, phony consulting fees and campaign contributions from people wanting to invest state pension funds.

Morris served 25 months of a maximum four-year sentence after pleading guilty to trading access to pension fund business to those who paid him lucrative fees. He was also forced to pay back \$19 million in fees he is said to have received.

There were also two dozen civil settlements with individuals and financial firms totaling \$170 million.

One notable legislator who voted for the bill to bar placement agents was Hevesi’s son, Assemblyman Andrew Hevesi (D-Queens).

“I think the governor is right, placement agents should no longer exist and that’s why I voted for the bill,” said Hevesi, who has frequently sniped with Cuomo.

Alan Hevesi’s other son, Dan Hevesi, once served as a placement agent.

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### **[After a Florida Democrat said she’d take donations from the marijuana industry, Wells Fargo closed her bank account](#)**

Wells Fargo Bank recently terminated the campaign account of a Florida political candidate after inquiring into whether the candidate intended to receive donations “from the medical marijuana industry in any capacity,” according to documents released Monday by the campaign.

Democrat [Nikki Fried](#), running to be the state’s agriculture commissioner, is a [former lobbyist](#) who worked on behalf of a number of industries, [including medical marijuana](#). The documents show that not long after opening a campaign account with Wells Fargo, the bank inquired about her stance on medical marijuana and her intent to accept donations from the

medical marijuana industry. The bank subsequently closed her account, citing its “responsibility to oversee and manage banking risks.”

The move is highly unusual. If such a policy were applied nationwide it could potentially jeopardize the banking access of dozens of state and national politicians, as well as state agencies tasked with regulating the marijuana industry and collecting taxes on marijuana sales.

On June 13, Fried’s campaign opened an account with Wells Fargo, according to documents released by the campaign.

Campaign treasurer Gloria Maggiolo noted that the campaign had “never received a request of this nature from a financial institution” and confirmed to the bank that Fried would probably receive contributions “from lobbyists for the medical marijuana industry, as well as from executives, employees and corporations in the medical marijuana industry.” Maggiolo said that Fried was a former lobbyist for the industry and that any contributions from any source would happen under “all applicable IRS rules, FEC regulations, and Florida elections law.”

[According to the campaign](#), on Aug. 3, it received a phone call from Wells Fargo indicating that its account would be terminated “because of [Fried]’s relationship to the medical marijuana industry.” The bank mailed a formal notice dated Aug. 3, stating that following an account review done “as part of our responsibility to oversee and manage banking risks,” the account would be closed within 30 days.

At a news conference on Monday, Fried said that “Wells Fargo’s actions against my campaign are emblematic of what is wrong with our government and politics today,” adding that she was “kicked out of a bank for voicing support of a law that is literally codified in the Florida constitution.”

In a statement, Wells Fargo spokeswoman Bridget Braxton declined to comment on the specifics of Fried’s case but said that “it is Wells Fargo’s policy not to knowingly bank or provide services to marijuana businesses or for activities related to those businesses, based on federal laws under which the sale and use of marijuana is illegal even if state laws differ.” By phone, she clarified that “activities related to those businesses” would include donations, to politicians or any other account holders.

While medical and recreational marijuana are legal in dozens of states, the drug remains illegal for nearly all purposes at the federal level. This has made banks [wary of dealing with state-legal marijuana businesses](#) for fear of running afoul of federal law.

In closing Fried’s account, Wells Fargo appears to be taking that skittishness one step further by denying banking access not to a marijuana business but to a political candidate who may receive donations from the marijuana industry. That could spell trouble for the dozens of national politicians who have received donations from the industry in this campaign cycle.

The National Cannabis Industry Association, for instance, a trade group for the industry, has donated thousands of dollars to [more than 30 U.S. representatives and senators](#) from across the political spectrum. Total marijuana industry lobbying has [already exceeded \\$1 million dollars for the year](#).

Industry insiders worry that other marijuana-friendly politicians could see themselves targeted if other banks adopt similar guidelines.

“What’s next, will [Sen.] Cory Booker’s accounts be closed?” asked Arnaud Dumas de Raully, chief executive of industry consultants the Blinc Group, in a statement. “Should we expect to see [New York gubernatorial] candidate Cynthia Nixon’s accounts closed, as well?”

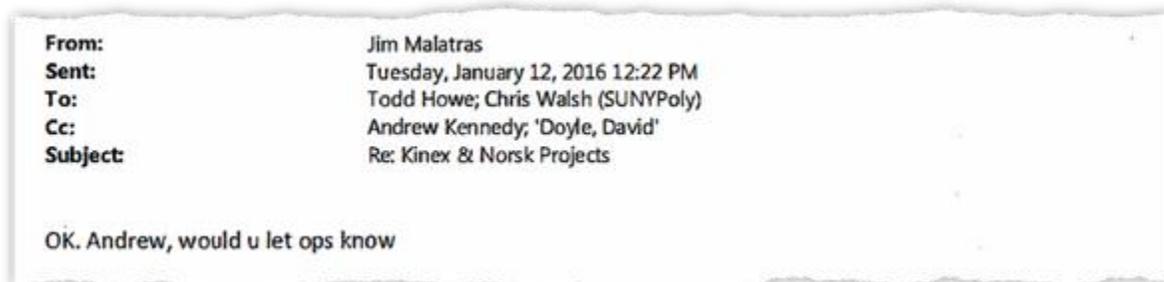
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### [Here Are the Lobbying Emails Cuomo Fought Hard to Keep Secret](#)

In January 2016, as Gov. Andrew M. Cuomo was preparing his annual [State of the State address](#), some high-placed state officials knew they had a problem.

A pair of business executives — partners in multimillion-dollar, private-public partnership deals with the state — were on their way to Albany, anticipating that Mr. Cuomo was going to announce their projects in his speech. But Mr. Cuomo had decided against doing so, worrying the executives.

“We need to assure these guys their deals are solid,” Christopher Walsh, an associate vice president at the State University of New York Polytechnic Institute, wrote in an email to several top Cuomo administration officials. “We cannot string these guys along any longer. Please.”



In January 2016, Todd Howe requested that a pair of executives be given access to a reception at the Executive Mansion, where the governor stays in Albany, after they were disappointed to not have their projects announced in a speech by Mr. Cuomo. The administration obliged.

One person in that email chain was not a government official, but rather a high-profile lobbyist by the name of Todd R. Howe, a former aide of Mr. Cuomo’s who was said to still have the administration’s ear. Indeed, Mr. Howe made the problem go away, suggesting that the executives be given access to a reception at the Executive Mansion, where the governor [was staying that week](#).

“Could we get the two C.E.O.s invited to the mansion?” Mr. Howe wrote in an email to Jim Malatras, then the director of state operations, one of the top positions in state government. “Given we asked them to travel in to attend.”

Two minutes later, Mr. Malatras said “O.K.,” and instructed his deputy to set up the visit. Mr. Cuomo, a Democrat seeking a third term in November, has repeatedly downplayed his relationship with Mr. Howe, who became [a key figure](#) in a pair of federal corruption cases after pleading guilty and reaching a cooperation deal with prosecutors.

Mr. Howe’s cooperation in those cases helped convict two other former top aides: [Joseph Percoco](#), once one of the governor’s closest friends and trusted advisers, and [Alain E. Kaloyeros](#), the economic guru who the governor praised as a genius and “New York’s secret weapon.”

**From:** Jim Malatras  
**Sent:** Tuesday, August 18, 2015 7:22 AM  
**To:** Howe, Todd; Andrew Kennedy  
**Subject:** Re:

Guys this has to stop. Alain leaks to press, Joel acts out etc .

Andrew, I want a meeting with all parties. The Governor is putting 250M and 50M in operating on the table so I will not have him embarrassed with this. Contrary to everyone involved this is his project.

And this is embarrassing to us now.

Emails between top Cuomo administration officials show concerns about the behavior of Alain E. Kaloyeros — later convicted on federal corruption charges — and the impact on the governor’s reputation. “This is embarrassing to us now,” the aide, Jim Malatras, writes.

But in nearly 350 pages of emails obtained by The New York Times as part of a Freedom of Information request, it was clear that Mr. Howe had entree to the top levels of Mr. Cuomo’s administration — a period that included the years and months [leading up to the news of the federal investigation](#).

The Cuomo administration had fought against releasing the emails for two years, [spending more than \\$200,000](#) to hire outside counsel — Greenberg Traurig, a loyal Cuomo campaign donor — after The Times went to court seeking the documents. A state judge last year [ruled against the administration](#), and ordered that the documents be released; the state appealed the ruling, but subsequently agreed to a settlement that allowed for the emails’ release.

The emails showed how Mr. Howe used his access to gain help for clients.

In December 2014, for instance, Mr. Howe sent an urgent email to Mr. Malatras and Andrew Kennedy, his deputy, pleading with the two officials to look into millions of dollars of payments owed to two upstate development companies — COR Development and LPCiminelli — both upstate developers that ended up [at the center](#) of the federal corruption cases.

“Both need some payment as a sign of good faith before the close of business tomorrow,” Mr. Howe wrote. Less than an hour later, an official with Empire State Development, Mr. Cuomo’s leading economic development agency, confirmed that the agency was approving the Ciminelli payment.

**From:** Howe, Todd <thowe@woh solutions.com>  
**Sent:** Monday, January 12, 2015 7:04 PM  
**To:** Richard Socarides  
**Cc:** Jim Malatras  
**Subject:** Re: Board Meeting Tomorrow.

Thank you sir. I appreciate the quick response. Optics are everything in this business and the cynical members of the press are waiting to drive a wedge.. As always.

Your support sends a strong message of confidence in both the Governor and Dr K.

Thanks again Richard. Todd

Mr. Howe, while not a government employee, seemed willing to assert his connections to the Governor and the administration. In this case, he leaned on a member of SUNY Board of Trustees, Richard Socarides, to vote for a promotion for his client, Alain E. Kaloyeros.

“So they should have a check no later than tomorrow,” the official, Peter Cutler, wrote back to Mr. Howe. “But could be before.”

The emails show Mr. Howe communicating with several top officials — including Robert Duffy, the lieutenant governor at the time — through their personal email accounts, a breach of a state policy prohibiting official business being done using private email, which are not subject to FOIL requests.

The use of such emails were also highlighted during the trials of Mr. Percoco and Mr. Kaloyeros. “It was almost sport in New York State government — I don’t believe this is limited to the Cuomo administration — to put things on your private email so that the reporters can’t get them,” Reid H. Weingarten, a lawyer for Mr. Kaloyeros, told jurors in June.

Mr. Percoco and Mr. Kaloyeros each worked with Mr. Howe on aspects of the Buffalo Billion, [the governor’s signature upstate economic development program](#), the biggest project of which — a \$750 million solar plant in Buffalo — was found [to have been bid-rigged in favor](#) of LPCiminelli, which has given generously to Mr. Cuomo’s campaigns.



Todd Howe's cooperation as a government witness helped convict Joseph Percoco, right, a former top aide to Mr. Cuomo. Credit: Holly Pickett for The New York Times

In trial testimony, witnesses said that Mr. Kaloyeros had hired Mr. Howe to help safeguard his position at SUNY Polytechnic and that he acted as [the eyes and ears of the administration](#) inside of the university.

The governor has not been accused of any wrongdoing, and prosecutors have said the donations were legal. The governor's office has described Mr. Howe as "a felon, liar and discredited manipulator," accusing him of "making up stories invoking both Mario and Andrew Cuomo to make himself seem more important."

It also said that Mr. Howe, who had pleaded guilty to eight felonies in a cooperation deal, was unreliable.

That much seemed evident in the Percoco trial, where Mr. Howe was a government witness.

But his star turn took an unusual detour, when he was forced to admit that [he lied to the government](#) about a credit-card bill, violating the terms of his deal with prosecutors. He was then rearrested during his time on the stand, and had been kept in jail until Aug. 2, when he was [freed on bail](#). He still faces sentencing.

Gents sorry to bother you guys but I am trying to head off a potential derailment in both Buffalo and Syracuse. Despite Andrew's continuing efforts ( he's been busting his hump to get these transactions completed) both Louis Ciminelli ( Buffalo) and Steve Aiello ( Syracuse) are having serious issues relating to their outstanding invoices being paid by ESD.

The Syracuse Post Standard is calling COR regarding the NANO Movie HUB, as work has stopped and the steel supplier is threatening to file a mechanic's lien on the project, that the Post-Standard will love to get a hold of. In Buffalo, Ciminelli is waiting on millions of dollars of invoices, that have not been paid and Louis is going to see the Governor on Thursday and I am afraid he's going to raise with Gov. The Buffalo Media is starting to get wind of non-payment as the Sub-contractors are starting to chirp.

Both Ciminelli and Aiello are as well upset as they will have to roll huge negative balances over from their 2014 books to their 2015 books, which is what is really prompting both to raise with the Governor.

Again, I am not trying to cause you guys heartache, in fact trying to head it off at the pass, as we know what will happen if Gov gets cornered by these guys on the 1<sup>st</sup>.

Both need some payment as a sign of good faith before close of business tomorrow.

In this email from Todd Howe to two top Cuomo administration officials, the lobbyist warns that two developers — both later at the heart of a corruption scheme — are worried about their payments from the state. Mr. Howe, in turn, is worried about what will happen if they confront the governor.

“Todd Howe was hired by SUNY Poly and others to represent them, and that is what is reflected in this correspondence,” said Richard Azzopardi, a spokesman for the governor. “However, what wasn't known then that is known now is that he is a criminal, an admitted liar and a con man who by his own admission made up stories involving the governor and his father — including doctoring emails to his friends and clients — to make himself appear relevant.”

Still, Mr. Howe's proximity to the inner workings of the state government was repeatedly evident in the emails.

In late 2014, a member of the SUNY board of trustees, Henrik N. Dullea, sent an email to Mr. Malatras, noting his displeasure that the SUNY chancellor at the time, Nancy L. Zimpher, was not given a raise nor a vote of confidence from the board of trustees. “I believe our board and the executive chamber have treated her shabbily,” he wrote. In a follow-up email, he added, “I understand both optics and elections, but this should not have happened the way it did.”

The emails somehow made their way to Mr. Howe, who wrote to Mr. Malatras that Mr. Dullea's comments were “very disrespectful.”

**From:** Jim Malatras  
**Sent:** Friday, November 28, 2014 8:35 AM  
**To:** 'thowe@woh-solutions.com'; Gil Quiniones  
**Cc:** Andrew Kennedy  
**Subject:** Re: Fwd: RE: RE:

We got a lot of heat from locals. They said slow and sloppy at first. I'm glad they deployed big at the end, but you should know that and I appreciate all the efforts mon. Seemed to have turned the locals around. Power outages are never fun.

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**From:** Howe, Todd [mailto:thowe@woh-solutions.com]  
**Sent:** Friday, November 28, 2014 08:30 AM  
**To:** Gil Quiniones  
**Cc:** Jim Malatras; Andrew Kennedy  
**Subject:** Re: Fwd: RE: RE:

That's a big deal don't you think? The 2nd floor should feel good about this one.

In November 2014, Mr. Howe, whose firm was working for a Hudson Valley energy company, wanted the administration, often referred to as the “second floor,” to boast of the state’s speedy recovery from a storm.

“Taking multiple shots at the chamber as he did in this last email is unacceptable,” Mr. Howe wrote. “I think you should have him in for a respectful but stern conversation to explain that ‘the governor and you expect him to carry the chamber’s water, and if he can’t do that day to day, he should rethink his commitment, and you’ll work with him to find a diplomatic way to move off the board.’”

Ms. Zimpher retired from her post last year; Mr. Dullea is no longer on the board of trustees.

Concern for the governor’s image and reputation is common in the emails. In another chain [in August 2015](#), Mr. Malatras warned that a dispute with officials at the University of Rochester about the location of a manufacturing hub was tarnishing [its rollout](#), which could reflect poorly on Mr. Cuomo.

“I will not have him embarrassed with this,” Mr. Malatras wrote, referring to the governor.

“Contrary to everyone involved, this is his project.”

Mr. Cuomo’s specter looms in other emails, including one in January 2015 in which Mr. Howe urges Richard Socarides, a member of the SUNY board of trustees, to approve Mr. Kaloyeros’s selection as [the founding president of SUNY Polytechnic](#). “Optics are everything in this business, and the cynical members of the press are waiting to drive a wedge, as always,” Mr. Howe wrote. “Your support sends a strong message of confidence in both the governor and Dr. K.”

**From:** Howe, Todd <thowe@woh solutions.com>  
**Sent:** Monday, November 17, 2014 10:46 AM  
**To:** Jim Malatras  
**Subject:** Re: Chancellor's Compensation

Geeze - I just read through. First, I think his first email is a "shot" as you indicated. Last time I checked, he is part of the "Board" he so easily attacks. Very disrespectful in my opinion. If anyone should know the system and understand that the " Board and Chamber " are one in the same it should be Hank. Secondly, your response I feel was direct and responsive to his initial Email. His response I believe is off base totally. Taking multiple shots at the Chamber as he did in this last email is unacceptable. He's way off base on his assertions. Way off base. I think you should have him in for a respectful but stern conversation to explain that " The Gov and you expect him to carry the Chamber's water and if he can't do that day to day he should re- think his commitment and you'll work with him to find a diplomatic way to move off the Board". Let me know what you think. At the end of the day, you don't need our so called family treating the Gov or you like this. Totally unacceptable. Let me know if I can help. TH

In this email, Mr. Howe suggests that a SUNY board trustee, Henrik N. Dullea, should be scolded for objecting to the administration's actions in regards to the university's chancellor.

In another, from Sept. 16, 2014, after the governor announced [\\$55 million in grants in Syracuse](#), emails indicate that Mr. Howe spoke to Mr. Cuomo about Riverbend, the \$750 million Buffalo Billion project that [broke ground a week later](#), and later became ensnarled in the Kaloyeros corruption case.

Mr. Howe wanted to relay to Mr. Malatras his conversation with the governor about Riverbend. "All good!" he wrote.

In another chain, involving Mr. Kaloyeros's efforts to get a bigger salary than the SUNY chancellor, Ms. Zimpher, Mr. Howe told Mr. Malatras to "get some family time."

"XO," Mr. Malatras responded.