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## [AG says Hubbard ruling reaffirms need for ethics law clarity](#)

Monday's ruling by the Alabama Court of Criminal Appeals in former House Speaker Mike Hubbard's ethics case underscored the need to tighten the language in the state ethics law, Attorney General Steve Marshall said today.

The Alabama Code of Ethics Clarification and Reform Commission met at Marshall's office to hash out recommended changes in the law, work that has been ongoing for months.

The Court of Criminal Appeals, in a 160-page ruling, [upheld 11 of the 12 felony ethics convictions](#) a Lee County jury found against Hubbard in his 2016 trial.

But the court urged the Legislature to clarify definitions in the law, including the definition of a principal, which is defined as a company or person that hires a lobbyist. The uncertainty has centered on which specific employees who work for a principal are also considered principals.

Seven of the counts against Hubbard were for receiving money or favors from principals. Hubbard's lawyers challenged those, in part, by arguing that some of the individuals were not principals.

The appeals court did not find fault with Hubbard's convictions but said there could be "a serious constitutional issue" in other cases without more clarity in the law.

"We could easily envision fact situations, however, where it is not clear whether a person engaging in a transaction with a public official is a principal, and whether a person holding a position in a business outside its immediate leadership hierarchy is a principal," the appeals court opinion says.

The definition is important because the ethics law prohibits public officials from accepting money or things from principals and prohibits principals from giving money or things to public officials with some exceptions, including campaign contributions.

Essentially, the law applies many of the same restrictions to principals as it does to lobbyists.

The Clarification and Reform Commission, which includes representatives from all three branches of government, local officials and the private sector, including lobbyists, will recommend changes that the Legislature is expected to consider next year.

Concerns about definitions in the law are not new. Marshall, who co-chairs the commission, said the Hubbard ruling did not change the commission's work.

"It just reaffirmed where we are, which is to be able to continue to work on the very things that the court talked about, to make sure that somebody that's subject to the ethics laws understands exactly what's required of them and what the restrictions are," Marshall said. "And so we'll continue to work on that."

Marshall said his goal is to clarify and strengthen the law.

On Tuesday, the commission went over a detailed set of recommendations from a subcommittee on definitions.

That include a discussion about restrictions on lobbyists buying meals for public officials.

Current law allows lobbyists to buy public officials a meal for up to \$25 in one setting and a total of \$150 in a year.

The subcommittee recommended a flat ban on lobbyists or principals paying for any meals for an individual public official. Meals in group settings would still be allowed under certain circumstances.

That generated considerable discussion, including from lawmakers and lobbyists who favored keeping the current \$25/\$150 limit.

The commission will meet again in September.

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### **11 of 12 Felony Charges Upheld Against Former Alabama House Speaker**

The Alabama Court of Criminal Appeals today affirmed former House Speaker Mike Hubbard's convictions on 11 of 12 felony ethics charges and reversed the conviction on one.

Hubbard was convicted in 2016 on the 12 counts and sentenced to four years in prison. He has been free on bond pending his appeal.

The court reversed a conviction that Hubbard voted on a bill with a conflict of interest in 2013, the General Fund budget, which contained a provision that stood to benefit a business client of Hubbard's. That provision was later removed from the budget.

The court upheld Hubbard's convictions for receiving money from a principal, which is a business that employs a lobbyist; using his office for personal gain; lobbying state agencies for a business client; using state personnel to help a business client and soliciting business investments from principals.

Hubbard has denied any wrongdoing. His attorneys will continue to pursue appeals.

"We are grateful that one count was reversed, but extremely disappointed that others were not," attorney Joel Dillard said in an email. "This is the first step in the appellate process and we will continue to pursue an ultimate reversal of all counts on which Mike Hubbard was convicted. We believe we will ultimately prevail."

Hubbard can appeal to the state Supreme Court.

Mike Lewis, a spokesman for the Attorney General's office, which prosecuted Hubbard, said the ruling is under review and the AG's office had no comment at this time.

There were no dissenting votes on the five-member Court of Criminal Appeals.

Judge Samuel Henry Welch wrote the court's main opinion, which was 154 pages long. Judges Liles C. Burke, J. Elizabeth Kellum and J. Michael Joiner concurred, with Joiner writing a separate opinion.

Presiding Judge Mary Becker Windom recused herself.

Hubbard's appeal had been pending with the appeals court for more than a year.

A special grand jury in Lee County indicted Hubbard on 23 counts in October 2014. Hubbard took the stand in his own defense during his trial in May and June 2016. The jury convicted Hubbard on 12 counts and acquitted him on 11.

The conviction removed Hubbard from office.

Before that, Hubbard had been one of the state's most powerful politicians. He is also a former chairman of the state Republican Party.

Hubbard led the Republicans in a successful effort in 2010 to win majorities in the Legislature and end 136 years of Democratic control of the State House.

Hubbard had sought dismissal of the criminal case on claims of misconduct by prosecutor Matt Hart, arguing that Hart was biased against Hubbard and that Hart swayed the grand jury's decision to indict with threatening and intimidating tactics. Lee County Circuit Judge Jacob Walker, who presided over the case, held a hearing and ruled against Hubbard's claim of prosecutorial misconduct. In its ruling today, the appeals court found no fault with Walker's decision on that issue.

The appeals court also upheld Walker's decision to deny Hubbard a new trial based on an allegation of juror misconduct. The misconduct claim was based on an affidavit from a juror who heard comments from other jurors indicating a bias against Hubbard. The appeals court noted that Hubbard's lawyers did not call any jurors to testify at a hearing Walker held on the misconduct claim.

Hubbard's lawyers also argued that the trial court improperly allowed testimony from former Alabama Ethics Commission Executive Director James Sumner, including testimony on the intent of the ethics law. The appeals court rejected that argument, too.

When prosecutors outlined their case against Hubbard, they contended that the speaker illegally used his political office to supplement his income after he lost a private sector job that paid \$132,000 a year. Several companies hired Hubbard as a consultant through his company, the Auburn Network.

Prosecutors contended that the payments violated the ethics law because two of the companies that hired Hubbard were principals, companies that employed lobbyists. The ethics law prohibits public officials from accepting money or anything of value from a lobbyist or principal. Five of the convictions related to investments Hubbard sought for Craftmaster Printers, an Auburn-area company in which he owned a 25 percent interest.

Hubbard solicited and received investments of \$150,000 each from four business executives into Craftmaster. The jury convicted Hubbard on the charges that the four investors were principals. The fifth Craftmaster-related charge was that Hubbard received a financial turnaround plan and business advice from a principal, Business Council of Alabama Board Member Will Brooke.

Four of the counts concerned Hubbard's contract with a company affiliated with a business owner in his district, Robert Abrams.

That company, Capitol Cups, paid Hubbard's company \$10,000 a month, a total of \$220,000 from 2012 to 2014, to help market its products.

Testimony showed that Hubbard used his public office to further his interests with Capitol Cups, the appeals court ruling says. That resulted in a conviction of using his office for personal gain.

Hubbard was convicted on two counts of lobbying on behalf of another company for Abrams while he was being paid by Capitol Cups. Hubbard arranged meetings with Gov. Robert Bentley and Secretary of Commerce Greg Canfield with Abrams to help the company with training.

Hubbard was also convicted of using state resources and a state employee, his chief of staff, to try to help Abrams get a patent issued. Hubbard did so without telling his chief of staff, Josh Blades, that he was being paid by Capitol Cups.

The appeals court opinion describes Hubbard's grounds for appealing each of the 12 convictions but finds those arguments lacking except on the charge of voting for legislation with a conflict of interest.

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### **Clean Missouri Kicks Off Drive**

A bipartisan movement aimed at making political races for state offices more competitive, kicked off its official campaign in Washington on Wednesday.

After volunteers, including several in Franklin County, collected 346,000 signatures statewide, the Clean Missouri initiative, or Amendment 1, has been placed on the November general election ballot.

According to the group, a vote for Amendment 1 will:

- Lower campaign contribution limits for state legislative candidates (\$2,500 for state Senate and \$2,000 for House).
- Eliminate almost all lobbyist gifts in the General Assembly by banning any gift over \$5.
- Require that legislative records be open to the public.
- Require politicians to wait two years before becoming lobbyists.

#### Redistricting

Another major focus of the movement will be redistricting Missouri House and Senate districts after the next census.

Former chair of the U.S. Election Assistance Commission Paul DeGregario says Amendment 1 is something the voters of Franklin County and the people of the state can get behind.

“There is always money at the root of corruption,” DeGregario said. “And there is big money at the big root of it.”

He added the redistricting is necessary so that neither political party is given an unfair advantage when new maps are drawn,

The group is advocating the state auditor to appoint a nonpartisan expert to draw fair legislative district maps using existing regional borders and common sense.

“The more competition, the better,” he said. “Amendment 1 takes a big step in that direction.”

Adding criteria for fairness and competitiveness of the overall map, which will be reviewed by a citizen commission, would keep compact and contiguous districts, he added.

DeGregario contends the 70 percent Republican super majority in the Missouri Legislature is not truly representative of the political makeup of the state’s voters.

He feels the redistricting would not affect Republican or Democratic Party strongholds in specific areas, but instead would promote more competitive races in the gray areas like in the St. Louis County suburbs

#### Funding

The group stated the initiative is being funded by more than 25,000 donations of about \$100 each.

According to the Missouri Ethics Commission July quarterly report, Clean Missouri has spent more than \$1.6 million thus far in this election cycle drumming up support for the proposed ethics reform.

The same report shows it has a bit more than \$184,000 on hand as of mid-July.

Awareness

Angie Dunlap, with the League of Women Voters of Metro St. Louis, said the key to the movement's success will be awareness and recognition.

"Many times people never know what initiative will be on the ballot until the day before the election," Dunlap explained. "If voters are educated on this ballot initiative I'm certain they will want to vote yes."

According to the group here Wednesday, Washington was selected as the first step on the trail since Franklin County voters have supported both ethics and campaign reform issues in the past.

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### **[1 trial down, at least 1 to go: Upcoming Manafort case will probe foreign lobbying world](#)**

The Paul Manafort trial set for September in Washington is expected to last three weeks and, on the basis of a list of 1,500 possible exhibits, will delve far more deeply into how he operated as a lobbyist and consultant than was done in his just-completed trial in Virginia.

The estimated trial timeline and exhibits were included in a joint filing Friday night in federal court in Washington by Manafort's defense and prosecutors with special counsel Robert Mueller III.

The required filing is a road map of the next trial facing President Donald Trump's former campaign chairman, convicted Tuesday in federal court in Alexandria on eight of 18 tax- and bank-fraud charges after a trial that focused on Manafort's finances.

Manafort's trial in the District of Columbia, set to begin Sept. 17, will cover much of the same ground but will scrutinize more closely his political work from 2006 to 2017, during which he allegedly reaped \$30 million as a consultant for pro-Russian politicians in Ukraine.

Manafort, 69, has pleaded not guilty to charges related to his advising of then-Ukrainian President Viktor Yanukovich. In his upcoming trial, the list of prosecution exhibits suggests how Manafort became an architect of Washington's modern-day influence industry, gaining access to foreign influence and foreign money.

Manafort faces seven counts in the District charging him with conspiring against the United States, money laundering, failing to register as a lobbyist, making false statements and witness tampering.

The last count arose after prosecutors in June accused Manafort and a longtime associate they linked to Russian intelligence of repeatedly contacting two members of a public relations firm and asking them to falsely testify about secret lobbying they did at Manafort's behest. Manafort has been in jail since then on the order of U.S. District Judge Amy Berman Jackson, who is overseeing the case in Washington.

Prosecutors disclosed the list of 1,500 potential exhibits with minimal descriptors, but among the subject lines in emails and other correspondence are references to Democratic power lobbyist Tony Podesta, whose firm, the Podesta Group, went out of business after Manafort's

indictment was unsealed; former GOP congressman and Jeb Bush adviser Vin Weber of Mercury Public Affairs; and former Barack Obama White House counsel Gregory Craig, who this year left his job as of counsel at the law firm Skadden, Arps, Slate, Meagher & Flom.

The exhibit list also mentions items citing "OVD" and "Oleg," which appear to be references to Oleg Deripaska, an aluminum magnate and ally to Russian President Vladimir Putin who employed Manafort as an investment consultant.

The list also appears to refer to many of the purchases of high-end clothing and consumer electronics that were discussed in the Virginia trial as prosecutors there laid out their case about Manafort's income and wire transfers from foreign accounts.

For the trial in Washington, the government said it expected to complete its work in 10 to 12 trial days - similar to the 12 days of testimony it presented in Alexandria - and to use three of the same expert witnesses: two FBI forensic accountants and an IRS agent.

A list of all witnesses who might be called was not part of the filing Friday.

Manafort's attorneys did not commit to put on a defense but told the court that if they did, their presentation could take three or four days.

Mueller's prosecutors, led by Andrew Weissmann, wrote, "The government hereby gives notice as required" that in the unlikely case Manafort reverses himself and decides to testify in his Washington trial, "the government intends to offer for purpose of impeachment the defendant's prior convictions in the case United States v. Manafort."

Manafort's defense said it had not had time to review the government's exhibits, reserved its objections to all of them and declined to agree to 23 proposed joint "stipulations" of undisputed facts that could be presented to a jury without argument, including some to which both sides agreed in Alexandria.

"At this time, there are no agreed upon stipulations," wrote Manafort's defense, which is led by Kevin Downing.

U.S. District Judge T.S. Ellis III declared a mistrial on the 10 remaining charges in Manafort's trial in Alexandria and gave the government until Aug. 29 to decide whether to retry Manafort.

A juror who spoke publicly after the Virginia verdict said that all but one of the jurors wanted to convict Manafort on all of the 18 charges he faced.

Manafort opted to face trials in two jurisdictions on charges brought by the special counsel rather than consolidate the bank- and tax-fraud case into the District case. The tax case was tried in Virginia because Manafort filed his taxes in that state. Prosecutors had offered to combine the indictments for one trial in the District, but Manafort declined.