



# M U L T I S T A T E

## [How Florida condo associations wielded political power before the Surfside collapse](#) (Florida)

Soon after Jason Pizzo was elected to Florida's state Senate in 2018, he began [working on a bill](#) that reflected one of his top priorities: stiffening penalties for secrecy, fraud and kickbacks on condominium boards.

The legislation, he said, was a response to constituents' complaints about shady financial dealings that led to condo residents getting blindsided by costly renovation projects.

Pizzo, a Democrat who represents a corner of coastal [Miami-Dade County](#) packed with condos, introduced his bill over the objections of lobbyists who represented condo associations and the lawyers, property managers and other professionals who worked for them. They pressed him in private meetings, according to two lobbyists and Pizzo, and objected to his bill at public hearings, arguing that the proposal would make it too difficult and expensive for condo associations to operate. He won a couple of committee votes, but his bill went no further.

Three years later, he is still trying to get his proposal passed.

"I have huge law firms and lobbying firms pushing back," Pizzo said. The result, he said, shows that "any reasonable efforts to protect our constituents and their residences is often overwhelmed by the influence of lobbyists with a captive audience in Tallahassee."

The experience has been a lesson for Pizzo in making condo laws in the Florida Legislature, where veteran lobbyists hold outsize sway over part-time lawmakers constrained by term limits and a 60-day window each year to decide which among hundreds of bills should become law.

Florida, where millions of homes are vulnerable to hurricanes, rising seas and saltwater corrosion, has some of the country's strictest regulations for high-rise condos. But the [June 24 collapse of Champlain Towers South](#), a 12-story condo tower in Surfside, has drawn fresh attention to loopholes that allow condo associations to delay inspections, renovations and compliance with directives they say are too expensive or burdensome.

The collapse, which killed 98 people, remains under investigation. Several former Champlain Towers South residents have filed lawsuits accusing the association's board of directors of negligence for failing to address structural damage pointed out in a 2018 engineering report. Authorities have not filed any criminal charges, although prosecutors have [asked a grand jury](#) to investigate the collapse. A spokesman for the condo association [previously said](#) its members were trying their best to keep residents safe. The condo association's court-appointed lawyer did not respond to a request for comment.

To examine how condo associations squash efforts to hold them accountable for buildings' financial and physical health, NBC News reviewed condo regulations considered by the Florida Legislature over the past decade. The analysis, based on interviews with more than a dozen lobbyists, lawyers and current and former lawmakers, along with an examination of legislative records, public hearings and campaign finance data, shows how lobbyists and trade groups work with condo associations to influence lawmakers, offering a glimpse into a niche corner of Florida politics that typically avoids public scrutiny.

Over the last decade, groups lobbying on behalf of condo associations and the lawyers, property managers and other professionals who work for them have been paid nearly \$2 million to influence lawmakers of both parties, according to campaign finance records. Millions more in campaign contributions have been spent by political action committees whose interests include condo association laws; they represent real estate lawyers, real estate agents and home builders.

Condo associations are volunteer, elected groups of residents who largely get organized to fight regulations that would subject them to greater scrutiny or require them to impose higher fees on their fellow unit owners.

"They are a very vocal constituency on issues that a lot of people in Florida don't really care about," said George Moraitis Jr., a Fort Lauderdale real estate lawyer and a Republican who served from 2010 to 2018 in the state House of Representatives, where he sponsored several bills favored by condo associations.

"They're very organized. Where they are concentrated, they are very powerful. They're very vocal and active. A lot of them vote."

Because legislators must keep their day jobs and are prohibited from serving more than eight years in office, much of the policymaking expertise in Tallahassee lies with lobbyists, who interview candidates for office to get their opinions on condo issues, pitch proposed legislation to interested lawmakers and then work to shepherd those bills through the Senate and the House of Representatives. Lobbyists and condo associations organize door-to-door

mobilizations and letter-writing campaigns, help bill sponsors respond to questions, try to win over legislative leaders and plan how to defend bills at committee hearings.

The 60-day sprint each spring in Tallahassee results in long bills that become vehicles for an array of tangentially related provisions favored by party leaders or industry advocates. In one case NBC News reviewed, several lawmakers said they didn't know what had been put into bills they sponsored — and one didn't realize he was voting to repeal a law he had sponsored two years earlier.

“What they typically want they are generally going to get, politically,” Moraitis said of condo associations. “Absent a lot of political will to overcome that, it's left to condos to drive how they're governed.”

Such a reckoning may now be at hand, as lawmakers promise changes in the wake of the Champlain Towers South collapse. That showdown won't happen until the state Legislature meets again early next year, but elected leaders, condo associations and lobbyists are already gearing up for the battle, with preliminary meetings among lawmakers expected to begin next month.

Florida law creates a dangerous conflict for condo associations by allowing them to act in a building's short-term financial interest at the expense of long-term safety, said Eric Glazer, a condo association lawyer who writes a blog and hosts a radio show on the topic.

“The Champlain Towers accident happened because Florida law allowed it to happen on so many levels,” he said.

Any new regulations will have to take into consideration how difficult it is for condo boards to set aside money for long-term repairs while also avoiding spending that could make it harder for residents to pay their bills or to sell their units, said William Sklar, a lawyer who represents developers and teaches condo law at the University of Miami.

He leads a task force at the Florida Bar that will recommend changes before the 2022 legislative session to how condos are regulated, including how frequently they are inspected and how much money they should keep in reserves.

“Florida boards are made up of well-intended volunteers who care about their neighbors and property values but are under intense pressure not to waste money,” Sklar said. “It's like fighting human nature. If you're retired and have a discretionary income, do you spend it on a vacation

with your grandchildren or on a reserve for a roof replacement in 10 years? That's the issue: the fight against human nature.”

### *Pushing back deadlines*

When lawmakers and lobbyists in Florida try to explain how condo associations have been able to avoid burdensome and expensive regulations, they often tell the story of the state's fire sprinkler mandates.

In 2002, following new national standards on fire safety, Florida passed a law that gave condos until 2014 to install fire sprinklers. But many condo associations said the cost would force them to impose large special assessments that would price residents out of their homes, make units harder to sell and threaten buildings' financial stability.

Condo associations banded together to press lawmakers to free them of the requirement. New lobbying groups sprung up to champion the cause, including one formed by several associations on the Fort Lauderdale coast, and another created by one of the state's largest and most powerful law firms.

They argued that condos should have the right to decide for themselves if it was worth spending hundreds of thousands of dollars on a project they believed might not significantly reduce the risk of a fire.

“A lot of people felt the mandate was overreaching,” said Ellyn Bogdanoff, who represented the Fort Lauderdale area in the House of Representatives and the Senate as a Republican from 2004 to 2010 and became a lobbyist on condo issues after leaving office.

On the other side of the issue were fire inspectors and the fire safety industry, who wanted the regulations enforced.

Condo lobbyists won a loophole that enables buildings to opt out of sprinklers in apartments, but that provision still required the sprinklers in common areas, such as corridors and lobbies. So the lobbyists convinced lawmakers to extend the deadline for compliance — first to 2019, and then, as that date approached, to 2024.

The delay was tacked onto a larger bill concerning community development and housing, which was signed in 2019 by Gov. Ron DeSantis, a Republican. (DeSantis' office did not respond to a request for comment.)

“They’ve tried every possible way they could to not have to put fire sprinklers in their buildings,” state Sen. Ed Hooper, a Republican and a retired firefighter, said. “It’s very frustrating because I know how effective fire sprinklers are.”

He said he reluctantly agreed in 2019 “to kick this can down the road five more years, but I have no intention of kicking it any further.”

Douglas Buck, a former lobbyist for Florida homebuilders, said the fire sprinkler issue became an annual punchline in Tallahassee because extended deadlines often turned up in pending bills. “I would almost laugh, ‘Here comes a building code bill and we want to put in a delay to the effective date when we have to do the sprinklers,’” he said.

Fred Nesbitt, president of the Galt Mile Community Association, which played a big role in mobilizing condos against the sprinkler mandate, said he hoped to persuade lawmakers to pass a full opt-out bill next year.

“Condos have the right of self-determination,” he said. “If owners vote to do something with their building, they should be able to do it.”

### *Repealing mandates*

In the wake of the Champlain Towers South disaster, public attention has turned to a largely forgotten law that experts say could have helped prevent the collapse. But the law was eliminated in a series of maneuvers that remain a mystery to many, even to the lawmakers who backed the repeal.

The law, passed in 2008, required condo associations to hire engineers or architects to submit reports every five years about how much it would cost to keep up with repairs, a process known as a reserve study.

“The intent was to make sure those buildings were being maintained properly,” said Julio Robaina, who championed the measure as a Republican member of the state House of Representatives.

The measure was opposed by condo lawyers and property managers who said it would cost associations too much money, he said. It passed only after lawmakers inserted a provision that allowed condo associations to opt out of the five-year inspection requirement.

The following year, a line seeking to repeal Robaina's law turned up in two bills, one in the state Senate and one in the House of Representatives. The bills were long omnibus measures concerning regulatory changes but had little else in common. There are no public records indicating who advocated for the repeal specifically, and no one spoke publicly about it. The bills' sponsors, both of whom have since left the Legislature, said recently they could not recall how the repeal line ended up there.

"I don't know who put it into the bill," said former Sen. Michael Bennett, a Republican who left office in 2012 and is now the supervisor of elections in Manatee County. An industry lobbyist "probably slid it in there," he said.

"I have no clue," former Rep. Trudi Williams, a Republican and an engineering consultant who left office in 2012, said in an email.

Neither bill passed both houses of the Legislature; Bennett and Williams said they did not recall why.

But the repeal line returned the following year, once again placed into long bills under consideration by the Legislature. One was sponsored by Bennett, who, again, said he did not know how it ended up there. The other was sponsored by Rep. Gary Aubuchon, a Republican homebuilder and a real estate agent who touted the bill at the time as having been put together by "the construction coalition," an informal group of industry representatives and lobbyists that submits proposed bills to lawmakers. Aubuchon, who left the Legislature in 2012, did not respond to requests for comment.

Several lobbyists who represented condo lawyers and property managers at the time said they did not push for the repeal. NBC News sought records of lawmakers' correspondence on these bills, but officials said nothing was kept on file because none of the lawmakers remain in office.

Bennett's bill was merged with Aubuchon's, which passed the Senate and the House of Representatives nearly unanimously. It was signed into law by then-Gov. Charlie Crist, who had also signed the 2008 inspection requirement that the new law eliminated. Crist, a Republican who became an independent in 2010 and is now running for governor as a Democrat, responded with a statement that did not address his signing of the bills, but said the state needed more regulation of older condo buildings.

Even Robaina, who had sponsored the inspection requirement, voted in favor of repealing it. He [said recently](#) that he did not realize the repeal had been included in the massive document.

Robaina, who now owns a property management company, said that if his inspection law had remained intact, it might have helped save Champlain Towers South from disaster.

The Champlain Towers South Condominium Association discovered in 2018 that its building had major structural damage caused by decades of corrosion, and only about \$800,000 to cover major repairs — indications, according to experts, that the association had put off inspections and funding of reserves. For the next two years, the association’s board of directors fought over how to come up with the \$16 million it needed to fix the damage. The board was seeking bids for the work when the building fell. Investigators are now trying to determine whether that damage contributed to the collapse.

“The reserve study would have caught the damage earlier,” Robaina said. “And with funded reserves, the money would have been there to pay for it.”

### *Fending off new penalties*

In April 2019, a lobbyist stood before the Florida Senate’s Committee on Innovation, Industry and Technology and urged lawmakers not to approve a proposal to make it easier to file criminal charges against condo board members who accept kickbacks or subvert residents’ requests for financial records.

The lobbyist was Mark Anderson, representing the Chief Executive Officers of Management Companies, a trade organization for property managers that has been paid more than \$500,000 to influence lawmakers over the past decade, according to public records.

He told the committee that the new penalties could be “weaponized” against board members and property managers by residents who want a seat on the board. He said the bill would lead to higher attorney fees and make it hard for associations to attract people to join boards because potential volunteers would fear being punished for inadvertent mistakes.

He added that associations were already trying to comply with new regulations imposed in the wake of a [2016 investigation](#) of South Florida condos by a Miami-Dade County grand jury, which found regulators failed to protect condo residents from fraud, secrecy and conflicts of interest by boards and management companies. The new regulations, passed in 2017 following initial [objections from condo lawyers](#), required boards to make it easier to access financial records and imposed criminal penalties for condo board election fraud, theft and self-dealing.

“We need to take a breath,” Anderson told the committee.

He was among a group of condo industry lobbyists trying to head off this first attempt by Pizzo, recently elected to the state Senate, to impose new regulations, which would toughen the penalties in the 2017 law and expand them to other kinds of misconduct. Pizzo had told the lobbyists about his plans months earlier, when he was still running for office.

### *Fending off new penalties*

In April 2019, a lobbyist stood before the Florida Senate's Committee on Innovation, Industry and Technology and urged lawmakers not to approve a proposal to make it easier to file criminal charges against condo board members who accept kickbacks or subvert residents' requests for financial records.

The lobbyist was Mark Anderson, representing the Chief Executive Officers of Management Companies, a trade organization for property managers that has been paid more than \$500,000 to influence lawmakers over the past decade, according to public records.

He told the committee that the new penalties could be "weaponized" against board members and property managers by residents who want a seat on the board. He said the bill would lead to higher attorney fees and make it hard for associations to attract people to join boards because potential volunteers would fear being punished for inadvertent mistakes.

He added that associations were already trying to comply with new regulations imposed in the wake of a [2016 investigation](#) of South Florida condos by a Miami-Dade County grand jury, which found regulators failed to protect condo residents from fraud, secrecy and conflicts of interest by boards and management companies. The new regulations, passed in 2017 following initial [objections from condo lawyers](#), required boards to make it easier to access financial records and imposed criminal penalties for condo board election fraud, theft and self-dealing.

"We need to take a breath," Anderson told the committee.

He was among a group of condo industry lobbyists trying to head off this first attempt by Pizzo, recently elected to the state Senate, to impose new regulations, which would toughen the penalties in the 2017 law and expand them to other kinds of misconduct. Pizzo had told the lobbyists about his plans months earlier, when he was still running for office.

Donna DiMaggio Berger, a lawyer who runs the Community Association Leadership Lobby, said in [an email newsletter](#) that Pizzo's bill was "filed at the behest of constituents who probably never served on their community's board." Anderson and other lobbyists met Pizzo in person several times, telling him that most condo associations were not doing anything improper.



Sometimes those meetings “got heated,” Anderson said.

Pizzo, a former prosecutor and a Democrat, said he was unwilling to go along with backroom arm-twisting on an issue that meant a lot to him.

“These lobbyists have a way of doing things with a certain decorum in which they assume everyone is on board and gets in line,” he said. “Then someone comes along who doesn’t give a s--- who someone else knows and it’s different.”

Pizzo’s stand failed.

His 2019 bill didn’t make it past the committee stage. Neither did a 2020 version, or a 2021 version.

Pizzo said he believes that’s because condo association lawyers and property managers persuaded Republicans who don’t have a lot of condos in their district and don’t want to burden property owners with rules. But he was also a member of the minority party in Tallahassee, and he didn’t have a Republican sponsor, which improves a bill’s chance of passing.

Pizzo said he respects Anderson for sharing his view publicly. But many lobbyists don’t do that, contacting lawmakers privately while choosing not to speak at committee hearings, according to lawmakers and lobbyists.

Travis Moore, a lobbyist for the Community Associations Institute, which represents condo associations and property managers and has been paid approximately \$320,000 for Florida lobbying over the past decade, joined Anderson in opposing Pizzo’s bill. Moore said resistance from industry lobbyists can make it difficult for lawmakers to get measures put up for a vote within the Legislature’s 60-day session. “Unless it finds its way onto another bill, it’s not going to happen,” he said.

Now, as the lawmaker who represents the district where the Champlain Towers South collapse happened, Pizzo is turning his attention to new regulations that seek to prevent another disaster.

At the top of his list is extending a Miami-Dade County requirement for condos to be inspected when they turn 40 years old to make it statewide. He wants to shorten that time span for buildings near the coasts. And he wants to sharpen enforcement of existing regulations, including the requirement that condos get reappraised by insurers every three years.

Pizzo also wants to try his anti-corruption bills again.

He expects resistance. But after the Surfside collapse, he said, “it could be different.”

Many lawmakers and lobbyists acknowledge that the Champlain Towers South collapse will make it more difficult to do anything perceived as weakening safety standards for condo buildings. At least, temporarily.

“I don’t think there’s an appetite for that now,” Berger said.

She has a new agenda: making sure any new regulations imposed on condo associations are offset by provisions — such as a state-backed low-interest loan program and granting associations more power to collect assessment fees from delinquent unit owners — that will help condos avoid steep financial losses.

“We don’t want to have legislative tunnel vision that does things to protect residents but makes it harder to pay for this stuff,” Berger said.

### **[El Monte council removes colleague’s title, extra duties following lobbyist gift scandal](#)** (California)

The El Monte City Council removed Councilwoman Vicky Martinez Muela from her position as mayor pro tem and revoked her membership in outside commissions this week in response to allegations that she accepted thousands of dollars in [gifts from a lobbyist](#), including a partial payment for a breast augmentation surgery.

The three council members who supported the action late Wednesday, Aug. 11, said they wanted to protect El Monte’s image and would consider returning the title and assignments if investigations into the matter clear Martinez Muela.

“From my vantage point, I put this in the realm of when an officer is accused of some kind of wrongdoing, that officer is placed on administrative leave and temporarily removed of duty,” Councilwoman Alma Puente said before the vote. “It just doesn’t make sense for this body to have a mayor pro tem where aspersions are being cast upon her character.”

*Borrows from LeVar Burton*

At the conclusion of the meeting, Martinez Muela — apparently quoting [a completely unrelated tweet](#) from actor LeVar Burton about the “Jeopardy” hosting gig — stated she’d received an “outpouring of love and support from family, friends and fans alike.”

“I have said many times over these past weeks that no matter the outcome, I’ve won,” Martinez Muela said. “If love is the ultimate blessing, and I believe that it is, then I’m truly blessed beyond measure.”

Though she did not cite Burton at the time, she later tweeted thanks to him for “giving me the right words to share love for my community.”

Martinez Muela did not address the allegations at all Wednesday and did not respond to a subsequent request for comment.

#### *Due process*

Mayor Jessica Ancona and Martinez Muela voted against the removal of the councilwoman’s titles after unsuccessfully attempting to have the issue tabled because of the late hour. The city is currently conducting an investigation at the request of two council members as part of the council’s censure process. Ancona urged her colleagues to wait until those findings are presented.

“What happened to ‘innocent until proven guilty’?” Ancona said during the meeting. “You’re already saying she’s guilty and not allowing due process to take place.”

All five council members eventually supported a motion to name Puente the new mayor pro tem. The panel, however, did not choose anyone to fill Martinez Muela’s other roles. She served as a representative to the League of California Cities, Independent Cities Association, Disaster Council and Sanitation District No. 15 before she was stripped of those positions Wednesday.

#### *Gifts from friend/lobbyist*

Martinez Muela, first elected in 2011, received [\\$1,100](#) for a breast augmentation surgery from her friend, Sigrid Lopez, who in December 2016 was a lobbyist for the El Monte-based Southland Transit. A month later, the City Council approved a \$700,000 extension of Southland’s contract for public busing and dial-a-ride services. Martinez Muela, however, was absent during that vote.

Lopez further alleges she paid \$5,000 for the councilwoman on a trip to Cuba, but Martinez Muela told the [Los Angeles Times](#) she covered her own expenses.

Under state law, local government officials are prohibited from receiving gifts over \$520 as of January 2021. The limit was reportedly \$460 in 2016, according to complaints filed by former El Monte Mayor Andre Quintero. Martinez Muela did not report any of the gifts from Lopez on her annual economic disclosures, though she had previously reported meals as low as \$15 from Southland in the past.

### *Complaints filed with agencies*

Quintero submitted the complaints, along with a declaration from Lopez and a copy of a bank statement showing the \$1,100 payment, to the Los Angeles County District Attorney's Office and the Fair Political Practices Commission in May and July, respectively. Neither has taken any action as of yet, but the D.A.'s Office did confirm it is reviewing the complaint.

Both Lopez and Martinez Muela have acknowledged the surgery payment, but they say it was done out friendship and not intended to influence any votes. In an interview, Lopez characterized the \$1,100 as a gift that was never paid back. The two women have since had a falling out over Martinez Muela's strong stance against a cannabis regulation that Lopez supported.

### *No punishment for lobbyist?*

During Wednesday's meeting, Ancona accused her colleagues of ignoring Lopez's role in the allegations and suggested they should take an equitable action against the former lobbyist. Lopez, who stopped lobbying for Southland in 2018, has two cannabis licenses in El Monte.

"Will she be stripped of her cannabis licenses? Will you all denounce her and stop taking contributions from her? What is being done to her?" Ancona asked her colleagues.

City Attorney Rick Olivarez shut down the topic quickly, saying it was not part of the special meeting's agenda and potentially would need to be discussed in closed session.

Lopez did not immediately respond to a request for comment Thursday.

El Monte does not currently have any rules around lobbyists. The council is expected to begin mulling potential regulations — including lobbyist registration, gift limits and a revolving door policy — at its first meeting in September.

## [Lobbying exceeded \\$4 million during pandemic session](#) (Maine)

Despite COVID-19 precautions that limited access to lawmakers, the lobbyists working the Maine State House still reeled in more than \$4 million in 2021 – a total that covers only six of the seven months the Legislature was in session.

The companies and industry sectors pouring the most money on the lawmaking process included regular players and those with the highest-profile issues on the line. Political action committees also got in on the act of paying lobbyists to influence lawmakers and the legislation they supported or opposed.

Prescription drug makers, cable companies, electric utilities, hospitals and casinos were among those spending the most on lobbyists. Advocates against youth smoking and the chemical industry rounded out the top 10 spenders.

The final numbers for what the lobby earned for the 2021 lawmaking session will be released Tuesday, but the sum, so far, is on par for what is typically paid out to influence legislation in a non-pandemic setting.

In 2019, for example, the lobby was paid [\\$4.2 million for its work during that lawmaking session](#), which featured newly formed Democratic majorities in the Legislature and a recently elected Democratic governor, Janet Mills.

The highest-paid individual lobbyist, Jim Mitchell, an attorney with a longtime presence at the State House, made over \$312,000 for his work before the Legislature in the first six months of the year, according to disclosure reports filed with the Maine Ethics Commission.

Mitchell's top-paying clients include Comcast Cable Communications, Pharmaceutical Research and Manufacturers of America, Central Maine Power Co. and New England Clean Energy Connect LLC, among others.

Both CMP and NECEC had major stakes in bills before the Legislature this session, including one that sought to create a consumer-owned public utility with a voter-approved takeover of CMP and Versant Power Co. Versant serves electric utility customers in northern and eastern Maine.

CMP paid Mitchell \$42,499, and he earned another \$35,000 from NECEC.

NECEC, a company formed by CMP and Hydro Quebec to oversee the construction of a controversial powerline expansion through western Maine, also paid another lobbyist, Zach Lingley, \$18,500 to work on its behalf.

But the powerline's foes were also paying lobbyists to work the Legislature. Also, a political action committee, Mainers for Local Power, which is largely funded by energy companies in Florida and Texas, paid five other lobbyists a total of \$112,010 through the first six months of the year.

Their top paid lobbyist, Holly Lusk, an attorney and former deputy chief of staff and health policy adviser to Republican Gov. Paul LePage, earned \$42,000 from the PAC. During his time as governor, LePage was a proponent for the powerline's expansion.

The lobbying reports further highlight the revolving door between state government for both elected and appointed officials and the lobbying industry in Maine. Another former LePage staffer, Kathleen Newman, also worked for CMP in opposition to the consumer-owned utility legislation, which was successfully vetoed by Mills.

LePage's daughter, Lauren LePage, who also once worked as an adviser to her father, also appears in the lobbying reports, earning \$15,486 working for the National Rifle Association. Meanwhile, dozens of former state lawmakers, both Democrats and Republicans, were paid thousands for working to influence their former colleagues and successors on a range of legislation, from labor union issues to taxes to environmental policy.

The pandemic forced strict limits on public access to the Legislature, which convened in January at the Augusta Civic Center instead of the State House to allow space for social distancing between lawmakers. Members of the public, including lobbyists, were prohibited from attending the proceedings in person.

Only credentialed media, a limited number of legislative staff and lawmakers were allowed inside the Civic Center. Meanwhile, legislative committee meetings and public hearings, where advocates and opponents of bills could testify, were being conducted remotely by Zoom conferences, limiting a lobbyist's opportunity for face-to-face interaction with lawmakers or their staff

After 14 months away the Legislature, the public and lobbyists were allowed to [return to the State House in May](#), as pandemic restrictions and a civil state of emergency ended.

Mitchell said those constraints dramatically changed the way lobbyists did their work, and key conversation and information exchanges that often happen outside of committee meeting rooms or in the halls were no longer in play.

“When hearings and work sessions are held over Zoom that opportunity to provide necessary information to the decision makers is gone,” Mitchell said. He said lawmakers worked to make themselves available in other ways. “But because we couldn’t see them in the hallway, we would have to call them on their cellphone or text them and I’m sure that made our lives a lot more difficult and I’m sure it made their lives a lot more difficult.”

He said limited access to both nonpartisan and partisan staff also complicated lobbyists’ work.

“Most outsiders think our job is testifying and being at a work session, but really the bulk of our work is outside of the committee room interacting with (legislative) members and staff,” Mitchell said. He said some may frown on lobbying, but providing competing points of view helps lawmakers formulate positions that are in the best interest of the public.

Newell Augur, another attorney and lobbyist with both private industry and nonprofit clients, said the inability to interact face-to-face made it harder to negotiate compromises on legislation involving competing interests.

“A lot of those discussions begin with the personal relationships that take place within the anterooms of the committee and obviously the pandemic eviscerated that,” Augur said. “There’s no way you can have that discussion on Zoom, unless it’s very, very planned and even then it’s difficult to recognize facial cues and body posture and tone in a way that leads to thoughtful discussions of policy.”

Former state Sen. Justin Chenette, a Saco Democrat, championed bills to prohibit lobbyists from contributing directly to candidates’ campaigns and requiring former lawmakers to wait at least one year before becoming a lobbyist. He said the total spent on lobbying isn’t shocking, but corporate influence over state government is still a significant concern.

He said more lawmakers are asking themselves, “Who do you want to listen to? Corporate interests and their big deep pockets or the constituents that put you in office in the first place?”

Chenette supports additional reforms, such as prohibiting lobbyists from donating to leadership PACs that top lawmakers form to raise money and distribute it to candidates from their party. Those donations are unlimited and lobbyists can easily pass on as personal donations the money they receive as payment from their clients, Chenette said.

He noted that money doesn't necessarily guarantee victory in the Legislature.

One recent example is a [bill that passed into law requiring private companies to shoulder the cost of disposing of packaging materials](#) such as plastic, paper and cardboard.

The landmark measure, which shifts recycling costs away from municipalities, was signed into law by Mills despite a more than \$37,000 lobbying effort against it paid for by the American Institute for Packaging and the Environment. The industry association represents manufacturers of packaging materials, including Dow Chemical and 3M.

But the lobby also won several large battles. For example, the top-paying client, PhRMA – which spent \$80,845 on lobbyists through June – saw bills aimed at lowering prescription drug costs defeated when lawmakers sustained a pair of vetoes by Mills in July.

[After scandal broke, FirstEnergy lobbyist pushed DeWine on “covid response”](#)  
(Ohio)

On Sept. 23, 2020, McKenzie K. Davis, a lobbyist with the [Success Group](#), registered to lobby the administration of Ohio Gov. Mike DeWine on [“covid response.”](#)

The timing is curious because only six weeks earlier, federal authorities announced they'd arrested then-Speaker Larry Householder and four associates in what they said was [“likely the largest bribery and money-laundering scheme ever in the state of Ohio.”](#) Also implicated in the corrupt scheme was the company on whose behalf Davis had registered to lobby: Akron-based FirstEnergy.

Davis's ties to the bribery scheme, as [first reported](#) by the Energy and Policy Institute, run deeper than that. In 2019, he served on the board of Partners for Progress, a 501(c)(4) “dark money” group that federal prosecutors say funneled tens of millions of FirstEnergy dollars into the corrupt effort to make Householder speaker and pass a \$1.3 billion package while McKenzie served on the money group's board.

The law, signed by DeWine, propped up two aging nuclear plants, as well as two 66-year-old coal plants – including one that isn't even in Ohio. And in this time of [dire climate news](#), it gutted standards for [energy efficiency and renewables](#).

Householder has been removed as speaker and [expelled from the House](#), two of his associates have [pleaded guilty](#) and a third has [died by suicide](#). A separate dark-money group, Generation Now, has also pleaded guilty.



FirstEnergy last month entered into a [deferred-prosecution agreement](#) with federal prosecutors in which it admitted to its role in the scandal and agreed to pay the state \$230 million.

It also admitted paying \$4.3 million to Sam Ramdazzo just before DeWine appointed him to be the state's top utility regulator. Randazzo proceeded to do favors for the utility that were worth at least hundreds of millions, the agreement said.

DeWine [won't say he regrets appointing Randazzo](#) and Randazzo — who hasn't been charged — denies wrongdoing.

But Attorney General Dave Yost, a Republican like DeWine, last week added [Randazzo and former FirstEnergy executives](#) as defendants in a [racketeering suit](#) against FirstEnergy, calling the company's payment to Randazzo a "bribe." Then on Friday, Yost moved to freeze Randazzo's assets, saying Randazzo this year transferred a \$500,000 property to his son and sold others worth \$4.3 million.

Questions were raised about Partners for Progress, one of the dark money groups involved in the scandal, almost as soon as arrests were announced on Aug. 12, 2020. Two days later, [the Cincinnati Enquirer](#) reported that in 2017 Dan McCarthy, then a FirstEnergy lobbyist, founded Partners for Progress. He resigned as its president in early 2019 to become DeWine's legislative affairs director — a post from which he worked to pass the corrupt bailout measure, the deferred prosecution agreement says.

Even so, McCarthy continues in his position and he continues to have [DeWine's support](#).

But in announcing the deferred-prosecution agreement, Acting U.S. Attorney Vipal J. Patel said the entire scandal "[would not have been possible](#)" without dark money gushing through Partners for Progress and Generation Now.

"These are supposed to be, according to the (tax) code, social welfare organizations. You all see a lot of social welfare going on? I don't," Patel said, adding, "What about these names? Partners for Progress? What are the partners here? The conspirators? What's the progress? Passage of (the energy bailout) through bribery?"

So what was [Partners for Progress Director](#) and FirstEnergy lobbyist Davis asking DeWine for last September as the company was in the throes of a corruption scandal and Ohio was in the throes of a pandemic?

A call to Davis's firm, the Success Group, was unreturned.

The Energy and Policy Institute noted that was right around the time that FirstEnergy resumed disconnections even though many Ohioans were out of work due to the pandemic.

But FirstEnergy, which has fired the top executives involved in the bailout scandal, said it wasn't asking DeWine for assistance in cutting off people's power as cold weather neared.

"As an essential business that provides electric service to two million customers in Ohio, FirstEnergy lobbying efforts were not specific to any one COVID topic, but rather helped keep the company engaged as we worked to understand the rapidly changing landscape driven by the pandemic," spokeswoman Jennifer Young said in an email.

"Conversations with the governor's office occurred on a wide variety of vitally important pandemic-related issues, including COVID testing for employees, acquiring personal protective equipment, establishing safe work practices to protect employees and the public while keeping the lights on, and payment assistance initiatives for those struggling to pay their utility bills, among others," she said.

### **[Lobbying spending at the Colorado Capitol set another record. Here's how much was spent.](#)** (Colorado)

Fueled by opposition to a measure seeking to create a public health insurance option, lobbying spending at the Colorado Capitol again reached a record.

Nearly \$44 million was spent during the 2020-21 fiscal year, which ended June 30, according to a Colorado Sun analysis of filings with the Colorado Secretary of State's Office.

That's up 8% from the previous year and up 32% over the 2018 fiscal year, the year before Democrats took control of the state legislature and Democratic Gov. Jared Polis took office.

In the three years since Democrats took control at the Capitol, lobbying spending grew steadily as the party pursued an [agenda often at odds with business interests](#), including oil and gas regulations, health care reform and environmental policy. In the past two years, the legislature's coronavirus response also added to the lobbying activity.

*Record spending by group opposing the public option*

Nearly 1,200 businesses, associations, local governments and nonprofits reported paying lobbyists during the 2021 fiscal year.

But only about 300 reported spending \$50,000 or more during that period, and only one-third of those clients spent \$100,000 or more.

Partnership for America's Health Care Future spent a record \$790,000 on lobbying last fiscal year, while also spending another \$1.4 million on advertising and consulting to try to influence lawmakers to vote against House Bill 1232, which originally sought to create a public health insurance option.

[Legislators ultimately watered down the bill](#), instead pursuing a policy forcing private insurers to offer a state-mandated health insurance plan in a move that prompted the national nonprofit to declare victory.

The partnership doesn't disclose where its money comes from. But its members include the Pharmaceutical Research and Manufacturers of America, Colorado Farm Bureau and Colorado Business Roundtable. [CVS, the pharmacy chain that also owns health insurer Aetna, gave \\$5 million](#) to the partnership in 2020.

In 2020, Partnership for America's Health Care Future [spent \\$236,000 directly on lobbying](#) in Colorado and another \$4.8 million on related expenses, mostly advertising.

Ironically, the partnership's lobbying firm, Forbes Tate Partners of Washington, D.C., didn't report paying any individual lobbyists to work against the bill.

"Their efforts were certainly historic," said Rep. Dylan Roberts, an Avon Democrat who was a prime sponsor of House Bill 1232.

But, he added, "their influence from my perspective was minimal to none."

"It appears their efforts were solely to run an outside game. They were never in the rooms when we were negotiating changes to the bill," he said.

The partnership lobbied against similar measures to create state run health plans in other states.

The group spent nearly twice as much on lobbying last fiscal year as the previous perennial top spending lobbying client, Xcel Energy. The utility spent more than \$413,000 last fiscal year, down 9% from 2020.

Another utility, Black Hills Corp., was the third biggest spender in the 2021 fiscal year at about \$234,000, followed by AARP at \$225,000. The American Property Casualty Insurance Association rounded out the top five, spending \$218,000.

Other lobbying clients with health care interests that were among the top 10 spenders last year include COPIC Insurance Co., the state's medical malpractice insurance provider, at No. 6. Biopharmaceutical company Emergent Biosolutions was at No. 7, and the Pharmaceutical Research and Manufacturers of America came in at No. 10.

PhRMA, as the association is known, also reported spending nearly \$611,000 on [digital](#) and radio ads [opposing increased regulations on prescription drugs](#) in an effort to lower prices.

Health care and pharmaceutical interests accounted for nearly 22% of overall lobbying spending in 2021.

K-12 and higher education accounted for nearly 10% of the spending last year, followed by government groups, such as those representing cities and counties, at 5%.

### *Other bills draw plenty of attention*

The measure to create a public option health care plan ended up with about 175 lobbyists and lobbying firms registered to represent 128 clients.

Meanwhile, 148 clients hired 167 individual lobbyists and firms to influence a measure to make it easier for workers to file harassment and discrimination claims, with many of those clients opposing the bill and few supporting it. That [measure, Senate Bill 176, failed in the final days](#) of the legislative session.

And 123 clients deployed 150 lobbyists to defeat a measure, Senate Bill 200, [aimed at curbing greenhouse gas emissions that Polis also opposed](#) and was eventually spiked. A compromise measure, House Bill 1266, [that included many parts of Senate Bill 200](#) drew about 101 lobbyists representing 79 clients.

While opposition is often a motivation for business interests to hire lobbyists, that isn't always the case.

A measure aimed at [providing billions of dollars in funding for transportation](#) (and hiking fees to pay for it) received mostly support from lobbying clients. While conservative interest groups including Americans for Prosperity and Colorado Rising Action fiercely opposed Senate Bill 260, there was plenty more support.

Cities and counties, contractors and construction businesses, unions and business associations, including the Denver Metro Chamber of Commerce, all weighed in to support the transportation bill.

### *Top lobbying firms*

The lobbying firms with the biggest income also employ multiple individual lobbyists and represent a variety of clients.

Colorado Legislative Strategies, for instance, employs four lobbyists and reported representing 37 clients in fiscal year 2021. It raked in \$1.8 million. Their clients included the Colorado Bankers Association, the Colorado School of Mines and the Colorado Oil & Gas Association.

Brandeberry McKenna Public Affairs also has four lobbyists and represented 35 clients, including the city of Denver and Pharmaceutical Research and Manufacturers of America. (PhRMA also employed four other individual lobbyists.)

Sewald Hanfling Public Affairs represented 39 clients, while The Capstone Group represented 38.

Forbes Tate, the Washington, D.C.-based firm representing the Partnership for America's Health Care Future, represented only seven other clients in Colorado. Most of those clients employed the firm to work on health care issues.

### **[Got \\$10,000? You can watch a football game with NC lawmakers.](#)** (North Carolina)

A group with ties to Republican lawmakers sent out fundraiser invites this week, asking for donations up to \$10,000 to mingle with half a dozen state lawmakers at a college football game.

Greater Carolina is a 501(c)(4), one of several "dark money" groups that can raise unlimited cash without identifying donors. It sent invites to lobbyists and others in the General Assembly orbit,

inviting them to the Sept. 2 game between East Carolina University and Appalachian State University, which will be played in Charlotte.

"Greater Carolina can accept unlimited personal (including registered lobbyists) and corporate contributions," the accompanying email states.

For \$1,000, donors can attend a pre-game tailgate with an open bar and food from a "double decker tailgate unit" provided by SPEVCO, a specialty vehicle manufacturer located in Pfafftown.

For \$5,000, Greater Carolina throws in tickets to the game. For \$10,000, donors also get two tickets to a stadium suite where Sens. Deanna Ballard, R-Watauga, Todd Johnson, R-Union, and Dave Craven, R-Randolph, will watch the game, along with Reps. Ray Pickett, R-Watauga, David Willis, R-Union, Jason Saine, R-Lincoln, and Matthew Winslow, R-Franklin.

"Tickets are VERY limited, so an RSVP is REQUIRED," the invitation promises.

Fundraising consultant Anna Scott Marsh's name is on the invitations. She said in a text message that it was her policy not to comment on clients, but leave it up to them. She didn't respond to a text message asking her to pass along a request for more information.

Lawmakers named on the invitation didn't respond to an email sent Tuesday afternoon to their legislative accounts.

Greater Carolina was founded in 2018, but it hasn't been active until now, according to political fundraisers who follow state politics closely. It was incorporated by Clark Riemer, Saine's legislative chief of staff, who said Tuesday that he's no longer involved with the group.

Saine is the highest-ranking lawmaker on the invitation because he's an appropriations chairman. That makes him a key part of the legislative budget writing process underway right now.

North Carolina law limits fundraising, forbidding lobbyists from giving to lawmakers year round and forbidding people who hire a lobbyist – "lobbyist principals" in state campaign finance law parlance – from giving during the legislative session.

But [there are plenty of loopholes](#). The bans apply only to individual campaign accounts, and [much of the money in North Carolina politics flows instead](#) through the state political parties or

similar groups that can accept unlimited donations. Money also flows to dark money groups that don't have to list their donors and [often promise access to the state's power brokers](#).

These 501(c)(4) groups, named for a section of the U.S. tax code, are also known as "social welfare" groups, and they spend money to advertise in favor of various public policy efforts.

[Greater Carolina](#) describes itself as a "coalition of forward thinking, pro-free market conservative leaders" and says it will work "to ensure North Carolina embraces the policies necessary to maintain and support our status as one of the best states in the nation for business and free enterprise."

"We will accomplish our mission by educating North Carolinians about the policies our state must embrace for continued economic success and by influencing public policy and elections," the group said on a flier included with the football game invitation.

[‘The citizens of Tallahassee are victims of a crime’: Ethics expert and City leaders react to Burnette verdict](#) (Florida)

After JT Burnette was found [guilty of extortion and four other charges](#) against him, City leaders and ethics experts are reacting to the verdict.

Burnette was found not guilty of four of the other nine counts against him on Friday, August 13.

Ben Wilcox, the Research Director for the research institute and nonprofit Integrity Florida, says the City of Tallahassee has a black eye that's going to take years to heal.

"It's terrible for the City," Wilcox said. "Obviously a crime has been committed, and the citizens of Tallahassee are victims of a crime."

Wilcox argues local government should be proactive in promoting transparency; he says it starts with lobbyists.

Former City Commissioner [Scott Maddox and Paige Carter-Smith's lobbying firm, "Governance, Inc"](#), was a major part of the JT Burnette trial. Burnette was convicted of facilitating two payments, in January and February of 2017, [to Governance from the undercover FBI agents' front company](#), "Southern Pines Development."

Wilcox says the Independent Ethics Board currently has three ordinances on the table for the City Commission to review, all dealing with lobbying.

He says right now, not everyone who is lobbying is registered.

“So one of the ordinances the ethics board is recommending would tighten that definition of what is a lobbyist and would capture these people who are currently unregistered, and kind of deceiving the public,” Wilcox said.

Wilcox says the other two ordinances would allow the Ethics Board to have some oversight on the registration of lobbyists and allow members of the public to file a complaint if they believe a person has not accurately registered.

“That’s the reason we have lobby registration requirements is so that the public can see the forces moving beneath the surface of government and influencing public policy,” Wilcox said.

He adds that he believes the City needs to do some self-reflection.

“My concern is that there are people involved with City government that may have either turned a blind eye or in some ways enabled this kind of corruption to take place in Tallahassee,” Wilcox said.

Tallahassee Mayor John Dailey said the actions of a few do not define the entire community.

“I was angry and disappointed, much like everyone in Tallahassee of the corruption that took place, and how it affects public trust in Tallahassee,” Dailey said. “I’m sure that we have all learned lessons throughout this entire event, and so we, I’m sure, will have a nice long conversation about what other actions need to take place.”

Dailey says transparency is vital.

“That’s the first step in truly restoring public trust in City Hall. Whether it comes to full financial disclosure, how we conduct ourselves, all of these elements are very important,” Dailey said. “I ran for Mayor to restore public trust. Very proud that in the first year we were able to pass the most comprehensive ethics reform package in the City of Tallahassee and in the state of Florida.”

City Commissioner Jeremy Matlow says he was disturbed about what came out during the trial



“Bribery and public corruption has infiltrated our City to the very top, at the highest level of City Hall. But I think the good thing is, justice was served,” Matlow said.

Matlow says he will be bringing forward his own recommendations on ethics later in the fall.

“If you’re a business leader and you were paying bribes, I think we need to cancel your contracts. If you’re a member of staff that was enabling this behavior, I think we need to see your resignation,” Matlow said. “And as a City, as elected officials, we need to really look at our policies and make sure nothing like this ever happens again.”

Scott Maddox and Paige Carter-Smith are scheduled to be sentenced on September 9, while JT Burnette is set to be sentenced on October 28.

[COVID-19 a 'major focus' of lobbying in NJ last year, watchdog agency says](#) (New Jersey)

State spending, a pair of COVID-19 bills and expanding abortion access in New Jersey drew the most lobbying last year, according to [a new analysis](#) by the Election Law Enforcement Commission.

Just as it captured most of the public's attention last year, the pandemic seems to have dominated discussions in the Statehouse — or, more likely, in phone calls, emails and Zoom meetings. Of 16,415 official contacts reported to the agency since last January, it said 2,033, or 12%, involved the public health crisis.

And the three organizations with the most lobbying contacts — the New Jersey Business & Industry Association, the New Jersey Hospital Association and the New Jersey Education Association — all deal with the high-profile pandemic issues of the economy, health care and schools.

"While there is no exact way to gauge the impact of the virus outbreak on lobbying, reports filed with ELEC suggest the pandemic has been a major focus during the latest legislative session," Jeff Brindle, the agency's executive director, said in a statement.

Consistent with past years, though, the state budget was lobbied the most. And there were two of them.

Between the 2021 and 2022 fiscal year budgets, there were 756 official lobbying contacts, the agency said. The report did not say how much money was spent on lobbying last year.

The next most-lobbied bill was one that did not become law: a measure to protect and expand abortion rights. That had 223 contacts and was merely introduced and had no committee hearings, according to the agency.

But abortion is regularly controversial in New Jersey and it faces a challenge at the U.S. Supreme Court, Brindle said.

### *Pandemic, marijuana and taxes too*

Rounding out the top five most-lobbied bills were two that resulted from the pandemic.

One, [S-2559](#), would require health insurers reimburse for telemedicine and telehealth services equal to the in-person rate, since COVID forced so many people to stay home. That bill, which had 160 contacts, is on Murphy's desk.

The other bill, [S-2380](#), expands workers' compensation benefits for front-line workers sickened by the coronavirus. It had 154 contacts and was signed by Murphy last year.

A lobbying contact does not necessarily mean a lobbyist reached one person on an issue. The agency would consider, for example, a lobbyist sending emails on one issue to all 120 members of the Legislature as one contact, it said.

The business and industry association, which topped the list of contacts, said the organization's lobbying focused mainly on the budget and COVID-19 legislation.

"It has really been important for us to be out there in front on anything COVID-related because of the obvious impacts on the business community, which is why we've done a lot of coalition-building on a lot of issues over the past year-and-a half," Michele Siekerka, the association's president and chief executive officer, said in a statement.

"Even legislation that isn't directly COVID-related can have a consequence in a COVID environment – so it's important that we maintain this focus."

The education association said it's "proud" to advocate for its members, which make up the largest teachers union in the state.

"Democracy relies on the public participation in policymaking, and we are proud to help ensure that the voices of our 200,000 members are represented when elected officials are making decisions that affect our students, our profession and the communities where we work and live," spokesman Steve Baker said in an email.

The hospital association and education association did not immediately respond to a message seeking comment on their lobbying.

The amount of lobbying contacts — or money spent — does not necessarily translate to action, either.

The hospital association, for example, [waged a successful effort earlier this year](#) to strip a bill that would have required public reporting of health care worker deaths and illnesses from COVID-19.

The industry [also beat back other measures](#) with implications in the pandemic, such as staffing levels at hospitals and legal protection from lawsuits. But none of those bills made top ranking in the agency's analysis.

Other notable bills that had the most contacts concerned [recreational marijuana](#), which was legalized earlier this year, and a tax on Wall Street transactions done in New Jersey, which was killed.

