



M U L T I S T A T E

Lobbyist spend \$763,000 courting New Mexico lawmakers

Lobbyists in New Mexico have spent around \$763,000 on campaign contributions and meals for lawmakers so far this year, with oil company Chevron accounting for more than half of that sum and making direct political payments to dozens of state legislators.

Chevron, through its lobbyist Patrick Killen, gave \$2,400 each to more than three dozen legislators ranging from Republicans to progressive Democrats, and \$2,500 to Sen. Richard Martinez, D-Ojo Caliente, according to data provided by the New Mexico Secretary of State's Office.

The majority of those payments were made in mid-April, after oil prices had already plummeted amid the novel coronavirus pandemic.

The outsize contributions by Chevron and other oil and gas companies continue a recent trend of big spending by the industry on New Mexico politics, said Kathleen Sabo, executive director of New Mexico Ethics Watch. A March report by Sabo's group and Common Cause New Mexico said oil and gas lobbyists spent \$11.5 million in the state from 2017-20.

"Chevron's contributions are historically high and I suspect we'll see them rise throughout the year as we get closer to the election," Sabo said.

By far the largest expenditure during the period from Jan. 1 through May 4 was a \$350,000 payment made by lobbyist Stephen Perry on behalf of Chevron to the political action committee New Mexico Strong, which is based in Austin, Texas.

While that group only spent around \$16,000 between October and April, in the past it has paid for mailers, website development and television ads in support of Republican candidates. In 2018, the group paid for mailers and ads opposing Stephanie Garcia Richard, who was ultimately elected as land commissioner.

The oil giant was an equal-opportunity spender on New Mexico's so-called legislative caucus committees. Its lobbyist Perry, who is also based in Texas, gave \$9,800 each to the New Mexico House Republican Campaign Committee and the Brian Egolf Speaker Fund, which is the Democratic political committee in the state House.

Overall, lobbyists spent around \$578,000 in campaign contributions and around \$184,000 in expenses on meals, beverages and entertainment, according to the Secretary of State's Office.

Other large expenditures included a roughly \$10,500 “meet and greet” for state legislators at Santa Fe’s Inn and Spa at Loretto paid for by lobbyist Scott Smart on behalf of the Eastern New Mexico University System.

There was also around \$10,000 spent on a Restaurant Martín dinner for legislators by lobbyist Joseph Thompson on behalf of telecommunications conglomerate Comcast.

Other energy companies opened their checkbooks as well. NGL Energy Partners, an oil transportation, storage and marketing company, spent \$25,000 on 15 state legislators through its lobbyist Robert Romero.

The railroads got into the game, too, with Union Pacific giving \$9,500 to nine Democratic legislators.

The National Rifle Association, through lobbyist Tara Reilly-Mica, spent over \$7,000, mostly on “legislative postcards.”

Sabo of Ethics Watch said total contributions by energy lobbyists could be lower in 2020 than in 2018 because of the oil price crash and because there’s no election for governor or land commissioner this year.

“I don’t expect the funding to be as high given the bottom falling out of the oil and gas industry,” she said.

Lobbying may set record, despite shortened Colorado legislative session

The total that special interests spend on lobbying Colorado lawmakers appears destined to set records, despite the potential for a shortened session amid the coronavirus pandemic.

The payments made by various corporations and interest groups to lobbyists topped \$29.6 million from July 2019 through the end of March, according to a Colorado Sun analysis of lobbyist filings. With three months left to report in the fiscal year, it’s possible that spending could top last year’s record \$36.4 million.

The pandemic is only amplifying the influence game at the Capitol as lawmakers prepare to return May 18 to a scrambled policy landscape and the need to rewrite the entire \$30 billion state budget. The session is expected to last three weeks and it’s unclear whether lawmakers will end the term or come back later.

More than 600 lobbyists and lobbying firms reported representing more than 1,000 clients through the end of March. Lobbyists will report their April activity May 15.

For the first half of the session, health care interests – including hospitals, insurers and pharmaceutical companies – dominated the spending. The industry accounted for 21% of the direct spending on lobbying through the end of March, the analysis showed. The \$6.3 million spent is more than double the next highest industry, K-12 and higher education at \$2.6 million. A public option insurance measure that was withdrawn earlier this week was one of the most lobbied bills by all industries. Health-related businesses and interest groups are also lobbying

heavily on a bill to increase drug-pricing transparency, a consumer cost-sharing study and a bill on substance abuse treatment.

The focus on health care is not expected to change as the response to COVID-19 remains the top issue for lawmakers upon their return. In addition, much of the state's annual budget is related to health care, making the discussion about how to close a \$3 billion shortfall crucial for the industry.

"COVID has significantly changed our legislative agenda," said House Speaker KC Becker, a Boulder Democrat. "These are unprecedented circumstances that limited the ability and time for the Legislature to meet, and limited the ability to fund anything. Attentions are directed elsewhere."

'Health care is always top issue'

Health associations, hospitals, health insurers, pharmaceutical companies and other related businesses are typically among the top spenders lobbying the Legislature. The industry spent \$7.4 million for the 2019 session with the sums increasing each of the past five years.

"What we've seen over the past several years is that health care is always the top issue," said Katherine Mulready, senior vice president and chief strategy officer for the Colorado Hospital Association.

In the past nine months, the group spent more than \$118,000 on lobbying, working on bills ranging from vaccination to medical providers. "As a rough approximation, about 15% of all legislation is health care legislation," Mulready said.

The hospital association isn't the top spender among health-related groups, however. That's the Colorado Medical Society, which spent \$142,000 through March representing doctors in the state. The group is supporting measures to regulate nicotine and several measures dealing with substance abuse, among others.

Looking ahead to the session's restart, the industry is poised to be a key player as lawmakers focus on how to lower health care costs for consumers and on economic recovery measures related to the pandemic.

"We know health care affordability is going to continue to be an issue," Mulready said of the session. "But what we also know is that COVID is going to have lasting effects, and access to care is also going to be a bigger issue. Because COVID, frankly, is having a devastating impact on the entire health care sector, including hospitals."

She estimated the pandemic will have a \$3.1 billion impact on Colorado hospitals, about the same as the state's budget shortfall, and federal aid will only cover 20% to 25% of that impact.

Public option bill off the table

One of the major legislative efforts that drew lobbyists attention was a bill to create a government-mandated health insurance option for the public run through private companies. Through the end of March, House Bill 1349 was the third most lobbied measure this session, with more than 100 businesses and interest groups deploying more than 150 lobbyists and lobbying firms.

On Monday, the sponsors announced they'd withdraw the measure because response to the pandemic is the new legislative focus.

All the lobbying spending came despite the fact that the bill wasn't introduced until March 5, nine days before the Legislature took a break. But the opposition began with TV ads in December that continued into March, as well as mailers sent in January.

Partnership for America's Health Care Future spent \$4.4 million on advertising opposing the public option at the same time it paid \$104,000 to Forbes Tate Partners, a Washington, D.C., lobbying firm. That firm reported that its client spent another \$107,000 on consulting and data.

The partnership is funded by insurance companies, health care providers, chambers of commerce, the Colorado Farm Bureau and others. "I've only been in the Legislature for three years but this is by far the most heavily lobbied bill I've experienced," said Rep. Dylan Roberts, the Democratic bill sponsor.

More than half the groups or companies lobbying on the public option bill opposed it, including the Colorado Hospital Association. But the opposition wasn't limited to health-related clients. It included business interests such as the Farm Bureau, Americans for Prosperity, the Colorado Contractors Association and the Tourism Industry of Colorado.

Only 17 clients supported the measure, including the national nonprofit Sixteen Thirty Fund, a Democratic-backed group that spent nearly \$11 million in Colorado in the 2018 election.

Most lobbied bill this session not health care related

Despite the focus on health care, the most lobbied bill through March was a measure to prevent employers from firing workers who use legal substances, such as marijuana, during non-working hours. Nearly 170 businesses and interest groups employed more than 140 lobbyists with most opposing HB 1089, which was defeated unanimously in its first committee.

The second most lobbied bill would regulate arbitration and drew more than 110 lobbyists representing more than 110 businesses and interest groups. That measure passed the Senate, but it's unclear what will happen in the House.

Only one of the top 15 lobbied bills has become law, a measure on regulating short-term rentals. Four failed in committees, and four passed out of their original chamber.

The future of the lingering bills and other measures awaiting committee hearings remains in doubt.

“We’re not sending each other bills that the other chamber isn’t going to pass,” said Senate Majority Leader Steve Fenberg, a Boulder Democrat. “I do think both chambers are going to want to limit what we work on to be relatively narrow in scope.”

As Lobbyist for Huawei, Las Vegas Radio Station May Have Broken Law

A local Las Vegas radio station may have broken federal communications laws when it failed to disclose its partnership with Chinese telecom giant Huawei, according to a former official of the Federal Communications Commission.

Las Vegas Public Radio, the self-professed "people's voice of Las Vegas," registered to lobby for Huawei in May 2019, promising to "address concerns that Members of Congress, Executive branch and American businesses have about Huawei products/services being developed or manufactured in the US for US consumption" in its lobbying [disclosure](#). In turn, Huawei promised to help the radio station open up a branch in China.

All radio stations are legally required to retain a so-called political file that contains information about all political advertisers who buy air time to discuss "national legislative issues of public importance," according to a 2019 FCC ruling. The law requires broadcasters to present the file at the request of the public. When the Free Beacon requested all of the station's political files regarding its partnership with Huawei, the station acknowledged that it does not have any political files related to Huawei or other Chinese entities.

Gregory LaPorta, the president of LVPR, said in an email that the station does not retain any political files related to Huawei because the station does not have "any issue advertisers whose commercials communicate a message relating to any political matter of national importance."

"If the station is being requested to take a particular stance in covering China and/or Huawei, and if they are being compensated directly or in kind, the issue advertiser should be listed in the political file," said Harold Furchtgott-Roth, a former commissioner of the FCC.

Furchtgott-Roth said that, given the national controversy surrounding the Chinese tech giant, stations that receive monetary or in-kind contributions to air pro-Huawei programming should log that partnership in their political files. Political files contain detailed information about the advertisement, such as broadcast length, date and time of the broadcast, and compensation for the station.

"The station has been saying good things about Huawei ... and they're getting payments in-kind from Huawei," he said, [referring](#) to the Free Beacon's prior reporting about the station. "The Commission has very clear rules of asking disclosure of that. And if they're not disclosing that, that could be a violation of commission rules."

National security officials have repeatedly warned against allowing Huawei to build 5G infrastructure in the United States and its allies, arguing that the Chinese government can use Huawei-built networks to spy on the West. The company has mounted a massive influence campaign designed to downplay such concerns, [hiring](#) former cybersecurity officials as lobbyists and spending millions on public relations. That Huawei was willing to work with a local community radio station in Las Vegas to promote its agenda speaks to the scale of its influence operations.

LaPorta, the LVPR president, previously claimed he has never done any work for Huawei, arguing that he registered as a Huawei lobbyist as a precautionary measure. While LaPorta claims he has never worked for Huawei, LVPR has broadcast messages boosting Huawei at least once in the past.

The station's sparsely active Twitter account [announced](#), for example, that the station was "bringing Huawei to America on something that was never done in the US Market for Huawei" on Dec. 31, 2018. LaPorta previously refused to explain what his station publicly broadcasted that day other than that he was "taking care of friends in high places."

LaPorta also denied receiving either monetary or in-kind compensation for work with Huawei. Federal lobbying disclosures note that "Huawei will assist Mr. LaPorta/LVPR" to make American broadcasting available in China. LVPR is currently seeking to start a radio station in China as well, [consulting](#) with Chinese Ministry of Foreign Affairs officials to establish an "independent public broadcasting facility" in the country.

LaPorta denied that Huawei's pledge to help his station expand overseas counts as in-kind compensation. Furchtgott-Roth said that it is unclear whether such a pledge constitutes an in-kind compensation but said such activities warrant an investigation.

"It's certainly something that I suspect someone at the FCC is going to look into," he said.

The FCC declined to a request for comment about whether it is investigating LVPR.

[Detroit hires major lobbying firm for help securing federal coronavirus aid](#)

The city of Detroit is hiring a lobbying firm, using federal coronavirus relief dollars, to advocate for more of the U.S. government's future pandemic assistance funding.

Detroit City Council on Tuesday approved a yearlong, \$180,000 contract with Squire Patton

Boggs LLP, a global lobbying and law firm with roots in Cleveland. The funding comes out of Detroit's [\\$117 million share](#) of federal Coronavirus Aid, Relief, and Economic Security (CARES) Act dollars.

Squire is hired specifically for coronavirus-related advocacy efforts in Washington, D.C., according to officials. The Detroit legislative body voted 8-1, with Council Member Raquel Castañeda-López against.

It's the first federal lobbying contract under the administration of second-term Mayor Mike Duggan, said Stephanie Washington, director of government affairs for the city. She said the administration generally relies on the mayor's and other executives' relationships at the federal level, but that the strain of the pandemic necessitated more.

In the past, Detroit has used Detroit-based [Dykema](#) and then Clark Hill PLC. Clark Hill worked for the city primarily from 2012-2014, under former Mayor Dave Bing.

"There's been so much COVID legislation," Washington said. "We figured with so much at stake at this time (it would be) prudent to maximize federal funding for Detroiters from federal CARES legislation. We just thought those efforts could assist us in making the city whole and help us address our fiscal shortfalls."

Detroit [cut \\$348 million from this fiscal year and next](#) to make up for projected revenue shortfalls brought on by the pandemic.

Lobbying priorities include more financial relief for small businesses; getting CARES dollars specifically targeted for virus "hotspots" like Detroit that are using more resources; water affordability; and bringing more broadband internet access through infrastructure legislation. Washington also said the city wants the Federal Emergency Management Agency to reimburse 100 percent of its [emergency protective spending](#) instead of the current 75 percent.

Also big? Paying cities for their lost revenue. Detroit is reliant on now-dried-up casino taxes. [The \\$3 trillion relief bill](#) House Democrats proposed Tuesday has state and local government aid.

"As a City, we dedicated funds for COVID-19 relief. I support these monies being used in direct delivery of services and resources to Detroiters, not on lobbying efforts," Castañeda-López, who voted against the contract, said in an emailed statement. I believe we have strong (Congressional) representatives at the federal level that we should work closer with to advocate for additional federal resources."

Squire Patton Boggs' lead on the \$15,000-per-month contract is partner Rodney Slater, a former U.S. secretary of transportation under President Bill Clinton. The city's "day-to-day" contact is Victoria Cram, co-chair of the firm's Transportation, Infrastructure and Local Government

Public Policy Practice. Both attended City Council's videoconferenced session Tuesday.

"As we think about the CARES Act and the various iterations of measures that are coming before the Congress, this next one is one that should be quite significant for states and locales," Slater said. "...We're hopeful that that will bode well for Detroit."

Cram said Squire would have a small "core team" working on daily matters with the city. Washington estimated that staffing number at around six.

"But we will call upon ... experts in other fields," Cram said. "So we have a very strong health care team, which is particularly relevant right now ... we have an expert on broadband, we have experts on transportation, we have experts on tax. So we have a very broad reach ..."

Council President Brenda Jones asked Tuesday what goes on the firm's agenda if the COVID-19 outbreak slows and isn't top of mind for the federal government for the entire year-long contract. Washington said she expects conversations around pandemic relief to continue, as new legislation is drafted. As well as Congress, there's also coordination to be done with the U.S. Department of Housing and Urban Development, Department of Transportation and other agencies.

The pandemic has brought about a "lobbying boom" in Washington, the [Associated Press reported](#), with companies and interest groups clamoring for help wading through federal lawmaking and relief efforts. The news service found the number of groups hiring lobbyists "shot up dramatically" in February, March and the first part of April.

Though political news site Politico echos the "lobbying boom," it [also reported](#) early this month that Squire Patton Boggs was cutting partners' profit distributions and associates' salaries, and furloughing some support staff, due to the outbreak.

[Squire as it currently exists](#) was formed through the 2014 merger between legacy Cleveland-based firm Squire Sanders and Patton Boggs of Washington, D.C., according to Crain's Cleveland Business, though it has shrunk its Cleveland presence. The National Law Journal ranked Squire as the 16th largest firm in the country last year, according to Law.com.

