



M U L T I S T A T E

[In ComEd-Madigan case, dishonorable mention breaks Chicago politics' golden rule](#)

“That which is understood need not be mentioned.”

If you were writing the Unofficial Rules of Chicago Politics, that simple sentence would certainly deserve a place in the top five — yet I can't remember ever hearing it stated so succinctly.

There's no telling how many times I've tried to express the same concept without attaining that level of poetic insight.

Yet there it was quoted in the filing of federal charges against Commonwealth Edison a week ago in connection with ComEd's admitted scheme to bestow political favors on Illinois House Speaker Mike Madigan in an effort to obtain favorable treatment from the Legislature.

I missed it on the first reading and am betting that, if I did, so did most of you.

The remark came during a conversation March 6, 2019, between “Individual A,” identified by the Sun-Times as former state Rep. Mike McClain of Quincy, and “Lobbyist 1,” known to be [John Hooker](#), previously ComEd's executive vice president of legislative and external affairs and, at the time, a hired lobbyist for the utility.

McClain was ComEd's main lobbyist for many years and a consultant with a reputation for having a particularly close working relationship with Madigan.

McClain and Hooker were discussing renewal of the utility's contract with another lobbying company, operated by “Consultant 1,” former City Club president Jay Doherty, who allegedly gave subcontracts to some of the speaker's associates for which they did little or no work.

I think we can deduce from the quotes that follow that their chat was caught on a wiretap.

“With the [Doherty] stuff, you got a little leg up,” Hooker is quoted as telling McClain, to his agreement.

Hooker later said: “I mean it’s, uh, unmentioned, but you know, THAT WHICH IS UNDERSTOOD NEED NOT BE MENTIONED.” (Emphasis added.)

“Right. Exactly. Exactly,” McClain responded.

Exactly.

It’s an underpinning of our politics.

The whole system of campaign finance in our country relies on that very premise.

Those who solicit and those who make campaign contributions don’t have to explicitly engage in bribery every time they do business.

It’s understood that making a contribution to a politician comes with certain advantages: at the very least some measure of access for the donor, an opportunity to be heard should the need arise.

Give enough, of course, and the expectations become greater, with the contributor expecting favorable treatment when necessary — whether it’s getting the inside track on a contract, a good job, an appointment to an influential board or support on a matter of public policy. Everybody wants something.

But, as stated, this is supposed to be understood, not to be expressed openly.

Because that could be interpreted as a quid pro quo.

This for that.

Which every mope in politics understands is against the law and opens you to criminal prosecution — if caught.

The same principle has always been thought to similarly govern the lobbying world.

Long before McClain allegedly came along with his “Magic Lobbyist List” of Madigan’s favored lobbyists, special interests looking for government’s inside track knew it made sense to hire lobbyists with close relationships to the officials who they needed to influence.

These special interests didn’t need someone to give them an approved list of lobbyists from which they could choose. Word of mouth was enough.

It was understood. No need to say it aloud.

For years, it was assumed Madigan and former Chicago City Council Finance Chairman Edward Burke were among the foremost practitioners of “that which is understood need not be mentioned.”

Madigan and Burke didn’t need to aggressively shake down people to hire their law firms to handle property tax appeals, we believed. It was just understood that hiring them came with a certain goodwill. Both men got rich. They never got in trouble.

But now we’ve seen in the criminal case against Burke that prosecutors say he wasn’t always quite so subtle about soliciting new clients, and now we are left to ponder Madigan’s role in McClain’s dealings with ComEd, using the speaker’s name to bully favors.

Maybe it’s time to reassess. Is the rule flawed, or is the flaw in human nature?

What happens when that which was thought to be understood is not really understood? Or if the person who wants to be understood is a control freak?

Then, someone might be tempted to say something. Offer a reminder. Clarify what they want. And, in so doing, break the law.

Now, I understand.

Don’t mention it.

[Chris Christie cashes in on coronavirus lobbying](#)

Chris Christie dreamed of becoming president. Now, he’s settling for a different role in Washington: lobbyist.

The former New Jersey governor is making big money from businesses trying to tap the gusher of coronavirus relief funds coming from the federal government. Newly filed disclosures show Christie's firm pulled in \$240,000 in less than three months for lobbying the Trump administration on coronavirus aid on behalf of three New Jersey hospital systems and a Tennessee-based chain of addiction treatment centers.

Christie appears to be leaning on his ties to the administration as he makes his way on K Street. In a pitch to consult for Puerto Rico's Fiscal Agency and Financial Advisory Authority earlier this year, Christie bragged that he had served as chairman of Donald Trump's transition effort to staff the federal government — leaving out that he was ousted days after Trump unexpectedly won the 2016 election.

Christie is hardly the first former governor to land on K Street. But it's unusual for a former presidential candidate who hasn't ruled out running again to become a lobbyist, especially without joining a major Washington firm. And he's off to a fast start pulling in business: Christie registered to lobby for the first time only last month, in the middle of a lobbying boom fueled by the federal government's multitrillion-dollar response to the pandemic.

Christie and his former chief of staff, Rich Bagger, lobbied the Department of Health and Human Services on coronavirus relief on behalf of the New Jersey hospitals. The department was in charge of distributing \$175 billion meant to keep health care providers afloat during the pandemic, as hospitals were forced to cancel lucrative elective surgeries this spring to prepare for a wave of coronavirus patients.

RWJBarnabas, which operates dozens of hospitals and medical centers throughout New Jersey, secured tens of millions of dollars from the Provider Relief Fund through its affiliates — including nearly \$87 million for Saint Barnabas Medical Center and another \$16.7 million for Robert Wood Johnson University Hospital at Rahway, according to federal data.

Another sprawling hospital system that hired Christie, Hackensack Meridian Health, had gotten at least \$146 million for three of its locations by May, according to lists put out by Rep. Frank Pallone (D-N.J.) of hospitals in his district that received coronavirus relief funds. Five hospitals owned by Atlantic Health, which also hired Christie, got at least \$160 million, according to Pallone.

It's not clear exactly what role Christie — who started lobbying for the hospitals on May 4, according to disclosure filings — played in helping them secure the funds. Reached by phone on Tuesday, Christie declined to comment and hung up.

But the pitch to the Puerto Rican fiscal agency — which went on to hire Christie as a consultant — spells out what he’s selling to clients. Christie has “worked closely during three Presidential Administrations with the Executive Office of the President and Cabinet level officials across the U.S. government, in addition to bilateral engagement with government leaders around the world,” the pitch reads.

“Hackensack Meridian Health was at the epicenter of the COVID-19 crisis in New Jersey and continues to prepare for a future surge,” Mary Jo Layton, a spokesperson for the hospital system, said in a statement to POLITICO, crediting Christie for advocating on its behalf for “critical funding for our hospitals.”

Lobbying for Hackensack Meridian Health is a return to form for Christie: He [lobbied for state grants](#) for Hackensack University Medical Center, which is part of the health system, two decades ago as a young lawyer before President George W. Bush tapped him to be a U.S. attorney.

Christie also lobbied HHS as well as the White House for CleanSlate Centers, a chain of dozens of addiction treatment centers. Christie in 2017 served as chairman of a commission set up by Trump on combating the opioid crisis alongside former Rep. Patrick Kennedy (D-R.I.), who’s now on CleanSlate’s board.

Christie’s lobbying for the company included working to secure coronavirus relief funds, an issue that was particularly fraught for some addiction treatment centers that initially struggled to access the provider relief funding. CleanSlate has so far received \$1.8 million in federal aid overall, the company said.

An HHS spokesperson would not directly address whether Christie met with senior officials there on behalf of his clients.

“HHS staff and leadership on occasion meet with industry leaders and their representatives,” the spokesperson said. “When having these meetings, ethics rules and regulations are followed.”

Christie's decision to forgo the chance to join the Trump administration — he [told CNBC last year](#) he'd turned down offers to serve as Labor secretary and Homeland Security secretary and an ambassadorship — to pursue more lucrative opportunities is hardly a surprise.

As his term as governor was winding down in 2017, Christie [told Bloomberg News](#) he'd "loved" his 16 years in government. "But I think that what is much more likely for me when I leave is to go into the private sector and start making some money," he said.

Christie ventured into the private sector shortly after leaving office in 2018, earning \$800,000 plus stock options consulting for Pacira BioSciences, a New Jersey pharmaceutical company. But Christie didn't register as a lobbyist until last month, when he filed paperwork disclosing his work for CleanSlate and the New Jersey hospitals.

In addition to Bagger, Christie's firm, Christie 55 Solutions, also employs his wife, Mary Pat Christie, and Bob Martin, who served as New Jersey's environmental protection commissioner while Christie was governor. Neither Martin nor Mary Pat Christie have registered as lobbyists.

Christie's firm consults for clients on issues including crisis management, disaster recovery, health care, trade, energy, financial service, sports betting and government relations, according to the firm's website.

Christie's foray into coronavirus lobbying came as many Washington lobbying firms were doing record business advocating for clients affected by the pandemic. Nearly a dozen prominent firms — including Brownstein Hyatt Farber Schreck, BGR Group, Invariant — saw their highest lobbying revenue ever in the second quarter, although not all of the uptick was driven by pandemic-related work.

The boom has been driven in part by health care companies such as Tenet Healthcare, a Dallas-based hospital chain that added two lobbying firms, Brownstein Hyatt and the Carmen Group. Tenet paid the two firms \$390,000 in the second quarter to lobby on coronavirus relief, according to disclosure filings.

Christie hasn't limited his lobbying to coronavirus relief.

As well as consulting for Puerto Rico's Fiscal Agency and Financial Advisory Authority, Christie also lobbied the White House on behalf of the Puerto Rico Electric Power Authority, the island's troubled public utility. He and Bagger pressed for help to aid "recovery from the hurricanes and earthquakes that have impacted Puerto Rico, including FEMA approved projects and funding," according to a disclosure filing.

Fernando Padilla, the authority's project management officer, said in a statement that Christie is helping with strategy to secure "funds across various sources in the Federal Government." His contract with the authority is worth \$25,000 a month and runs through the end of the year.

[Millions of paycheck protection dollars went to Pennsylvania lobbyists](#)

Major Pennsylvania lobbying and political firms have swept up millions of dollars in federal paycheck protection loans during the coronavirus pandemic — despite the fact that those loans explicitly bar money from going to organizations primarily engaged in lobbying. The recipients who do lobbying say it's all above board, since they mostly earn their money from other types of business.

[Data newly released this month](#) by the U.S. Treasury and Small Business Administration shows that in Pennsylvania, more than 26,000 small businesses and organizations have each received \$150,000 or more since April.

Recipients range from restaurants to medical offices to the Pittsburgh Symphony. They also include 19 entities [registered to lobby Pennsylvania politicians](#) and shape state policy.

Is this legal?

Pennsylvania [was far from the only place](#) that saw lobbying groups rake in PPP money.

These businesses and organizations were likely permitted to receive federal aid because, although many of them are known mainly for their lobbying activities, they reported that it accounts for less than half of their revenue.

[An SBA rule](#) prevents any business that gets “over 50% of its gross annual revenue from political or lobbying activities” from getting federal dollars through the administration.

The federal government doesn't make PPP loans directly — it guarantees them after the borrower applies for the loan through their bank. A spokeswoman for the SBA noted that means the loans are approved based on the borrower making a “good faith certification” to their lender that they're eligible and in need.

Michael Pollack, a Philadelphia-based rabbi and activist with the group [March on Harrisburg](#), which [advocates for lobbying reform](#), said he thinks these relatively loose restrictions on lobbyists getting federal dollars speaks to a broader political culture issue — both in Harrisburg and beyond.

Lobbyists, he said, are “incredibly smart in how they do these things, but the main goal at the end of the day is to get as much public funding into private hands as possible. That's the job of corporate lobbyists.”

Lobbyists and political consultants, however, saw the PPP restrictions as much too harsh.

The SBA's 50% rule [has been around for decades](#), but when the agency [formally applied it](#) to the PPP in April, the Washington, D.C.-based American Association of Political Consultants [sued](#) in hopes of being more broadly included in the relief program.

[A federal judge ultimately ruled against them](#), noting the SBA's long-standing rule preventing federal money from subsidizing political speech. The group is appealing.

It wasn't a foregone conclusion that organizations that make money lobbying would have been eligible for PPP loans to the degree that they currently are.

U.S. House Democrats, for instance, are pushing for stronger restrictions. Their \$3 trillion coronavirus relief bill [would have prevented](#) any business with a lobbyist on payroll from including that position in its estimated expenses, and would have prevented any loan money from going toward that position.

The GOP-controlled Senate, however, has indicated it has no intention of taking up that bill.

Who got the money?

Not all companies that are registered to lobby do the same thing. Sometimes law firms, for instance, will do some lobbying as a portion of their business. Nonprofits often register to lobby or keep a small number of lobbyists on their payrolls, and companies primarily engaged in communications or public relations frequently register to lobby on behalf of certain clients.

Larry Ceisler, who heads Philadelphia-based Ceisler Media and Issue Advocacy, said that's the case for him. He estimated that only one to two percent of his business's revenue comes from [indirect, or grassroots, lobbying](#).

He said that — along with losses he attributes to coronavirus-induced instability — qualified it to receive a PPP loan between \$350,000 and \$1 million in April.

Ceisler said he's not in the habit of having “lunches with members of the General Assembly.”

“We're a communications company that communicates messages that touch on public policy,” he said.

Nearly all the registered lobbyists who returned requests for comment said similar things — that their business makes less money on lobbying than it does on other activities, and that unpredictable business conditions during the pandemic qualify them for aid.

Those unpredictable conditions weren't all negative in the lobbying industry. Several lobbyists and political consultants noted that early in the pandemic, when Pennsylvania began enforcing a raft of ever-changing business closure orders, [they got a flood of new clients](#) who wanted state law adjusted so they could get permission to keep operating.

But Roy Wells, who heads Harrisburg-based Triad Strategies, said that wasn't enough to offset losses from other clients terminating their contracts. Triad received between \$150,000 and \$350,000 from the PPP.

“At the time, we were making a decision of how we were going to move forward,” he said. “We were looking at the declining revenue, loss of clients, and the need to maintain staff and employees. And the PPP gave us a way to keep people employed with their existing salaries and their existing benefits.”

The SBA doesn't provide specific numbers about the loans it handed out — just a range. But based on that information, it's possible that organizations registered to lobby in Pennsylvania have received more than \$60 million, altogether.

The big picture

Asked why they needed PPP money, lobbyists and political consultants tend to make the case that their small businesses are just like any other, and have been suffering due to instability.

“It was important to keep employees working during a difficult and unpredictable time,” said Steve Aaron, a spokesman for former Pennsylvania Gov. Tom Ridge's lobbying outfit, Ridge Policy Group, which received between \$150,000 and \$350,000 in May. “RPG applied within the rules and guidelines and was approved for what the firm was eligible to receive.”

But Nathan Benefield, vice president of the Commonwealth Foundation, a conservative Harrisburg think tank, said that's a reductive view of the situation.

“The spirit of the rule ... is because we don't want taxpayer money subsidizing politics and lobbying. That's the principle,” he said. “So it does concern me to see groups that are lobbyist groups getting PPP loans, basically getting taxpayer money for political activity.”

He added, he doesn't think the businesses that got PPP loans have been affected badly enough by the pandemic to justify taking up federal dollars — describing them as “prominent” figures on the Harrisburg political scene who “generally speaking, are doing pretty well.”

Lobbying reform is one of the rare policy areas where conservatives and liberals tend to find common ground.

Pollack, the March on Harrisburg activist, has a very different political philosophy from Benefield, but has come to more or less the same conclusion on PPP: lobbying firms may be able to successfully argue that they operate like any small business, but at the very least, they shouldn't get aid ahead of businesses like restaurants and independent stores.

Pollack noted, he himself is registered as a lobbyist in Pennsylvania.

“If an advocacy group like March on Harrisburg tried to get a bailout — we would never even apply for that,” he said. “It's just unheard of for us to think that the public would subsidize an advocacy effort. It's mind-boggling.”