



[NY's new ethics panel gets to work with questions about transition](#) (New York)

ALBANY — At its first meeting on Monday, the state's new ethics commission voted to appoint Frederick A. Davie as its interim chair.

Davie, who was appointed to the Commission on Ethics and Lobbying in Government by Gov. Kathy Hochul, was unanimously elected to the interim position by seven commissioners already seated on the panel.

Under the rules governing New York's prior ethics body, the Joint Commission on Public Ethics, the governor had the power to appoint the chair — one aspect of the 2011 law creating JCOPE that was viewed by critics as giving the executive branch too much influence.

Now, the commissioners on the new panel have the power to appoint the chair to a two-year term. On Monday, they chose to continue having an appointee of the governor leading the body, at least on a temporary basis.

Four of 11 seats on the commission remain vacant; the transition slowed by a new process in which commissioners are confirmed or rejected by a panel deans from New York's 15 accredited law schools.

Three out of 10 nominees were rejected earlier this month by the law school deans, and four appointments still must go through the vetting process. Hochul has not announced her third and final nominee to the panel.

"I emphasize that we all do recognize that it is an interim period," Davie said following his selection on Monday. "This allows us some space to do the work of the commission and to have a point person."

As the new commission begins its work, questions remain about potential flaws in the April law creating it and how that could undermine the transition.

The law was drafted behind closed doors by Hochul and Democrats who control the Legislature, and gave little contemplation to a drawn-out transition period between New York's prior ethics agency and its new one. Still, a transition is occurring.

The law creating "CELG" allowed for commissioners to vote to appoint a chair to a two-year term, but nothing in the law specifically authorized appointing a temporary chair.

The commissioners also voted to make JCOPE's former executive director, Sanford Berland, the "interim" executive director of the new body — and to give him authority to take action between commission meetings.

Yet in the April law creating the new ethics body did not consider the appointment of an interim leader.

JCOPE went out of existence on July 8. Over the past two months, many former JCOPE employees have continued to work for the new ethics body — and be paid by the new entity — including Berland.

The law creating the new ethics body, however, says that only the new commission has the power to transfer former JCOPE employees to employment at the new body. Until the meeting on Monday, no new ethics commission had been seated, and there had been no opportunity for the commissioners to make such a transfer.

That had left former JCOPE employees in limbo: They've been getting paid, but it's been unclear whether they retained any formal authority to take action.

"I think there was a sloppy drafting in the law," said John Kaehny, executive director of the government reform group Reinvent Albany. "A strict reading of the law suggests that there was no provision for staff to continue to collect salaries. They needed to be rehired and reappointed."

On Monday, the new ethics commissioners voted during the meeting's public session to approve a "staffing plan" submitted by Berland. But the vote did not appear to be a formal transfer of old JCOPE employees to status as employees of the new body.

Over the past two months, the payroll of the Commission on Ethics and Lobbying in Government has been certified by an employee of the state Office of General Services.

Asked under what legal authority the payroll was being certified, OGS referred comment to Hochul's office.

A Hochul spokesman, Avi Small, said the legislation in April "was written to allow for staffing continuity between the end of the former commission and the establishment of the new commission."

"During the transition period, staff were able to process financial disclosure statements, lobbying filings and other functions that were not dependent on the presence of commissioners," Small said. "The new commission is scheduled to meet today and has discretion to make staffing decisions."

But Small did not answer questions about the specific legislative language allowing the employees to be paid without a vote by commissioners to transfer them — or what provisions allowed them to exercise the authority that Small described.

Kaehny said the state's new ethics commissioners need to be "incredibly mindful" to follow the letter of the law and "need to be completely explicit" in explaining how they are doing that.

"The lack of clarity about that type of information is what led to the (Andrew) Cuomo book deal — and his being able to get off the hook," Kaehny said, referring to the 2020 approval of the former governor's book by JCOPE staff. "The new ethics commission needs to learn from that."

Davie, the interim chairman, serves as senior strategic advisor to the president at Union Theological Seminary and holds several external leadership roles related to public policy and social issues, including with the Racial Justice/Charter Reform Commission of New York City, the U.S. Commission on International Religious Freedom and the New York City Civilian Complaint Review Board.

Hochul gets three appointees on the 11-person panel, the most of any single elected official. Still, under the new law, the governor appoints a significantly smaller proportion of commissioners than had been the case for JCOPE.

[Anaheim May Tighten Lobbyist Registration After FBI Corruption Probe](#) (California)

Anaheim City Council members are slated to consider tightening up the city's lobbyist regulations following an FBI corruption probe that caused a wave of resident backlash and numerous calls for reform.

And the council is also expected to discuss extending the amount of time city officials have to hold onto emails that are public record before deleting them – keeping them for two years, up from the current 90-day policy.

In a public court filing earlier this year, an [FBI affidavit alleges former Mayor Harry Sidhu deleted numerous emails to hide records on the Angel Stadium sale](#) from the Orange County Grand Jury.

He also [tried to get a \\$1 million campaign contribution from Angels executives for spearheading the now-dead land deal](#), the FBI alleges.

Sidhu has denied any wrongdoing.

The fallout at city hall has prompted Councilman Jose Moreno to call for a series of [campaign finance reforms](#), but his efforts eventually died after he failed to gain enough support from his colleagues.

At the council's upcoming Tuesday night meeting, Councilman Avelino Valencia is calling for emails to be kept for two years and for specific violations of the city's laws on lobbying activity as a misdemeanor. Valencia did not respond to a request for comment Monday.

“These proposed changes to the Code are designed to increase accountability and transparency in City government,” reads a [city staff report](#).

In a phone interview Monday, Moreno said while he supports the effort, he doesn't believe it will address resident concerns surrounding the FBI corruption allegations.

“What really nurtures that culture and backroom deals is not emails, it's that they are currying favor or want to sustain favor with entities that will fund their campaigns,” he said. “Their communications will become less written and more verbal.”

Moreno said the true essence of the problem the FBI's investigation has pointed out was the “corruptive influence” of large campaign contributions.

The campaign finance reforms failed to gain traction with Councilmembers Trevor O'Neil, Gloria Ma'ae and Jose Diaz.

Moreno thinks the council will support the proposed changes on tonight's agenda.

"It's low hanging fruit," he said. "If they do (oppose), I think they will have even deeper explaining to do."

Councilmembers will consider making certain violations of the lobbying ordinance a misdemeanor – including filing false or inaccurate lobbying reports, as well as working as an unregistered lobbyist.

The city maintains a list of [lobbying activity with reports on their website](#).

Hiding payment on lobbying activities could also result in misdemeanor punishable by a \$1,000 fine or six months in jail under the proposed changes, according to a [city staff report](#).

If convicted, the person will be banned from lobbying activity for one year.

The proposal would also make lobbyists sign the disclosures under penalty of perjury.

Meanwhile, City Council members have been facing increased public pressure for reforms, greater transparency and accountability after FBI agents made their corruption probe into Anaheim City Hall and its dealings public in May.

Federal agents alleged in a [criminal complaint](#) that the former head of the local chamber of commerce Todd Ament and an unnamed lobbyist were at the helm of a small shadowy group of individuals that yielded significant influence over city hall.

Investigators also described conversations between unnamed political consultants about how lobbyists in town get paid outside of public scrutiny.

"At the end of the day, it's just moving money back and forth but it will clear a lot of shit off of our books too," said one unnamed lobbyist, referred to as "Political Consultant 1" in the complaint against Ament.

[Lobbyist activity surged amid Lansing's spending spree](#) (Michigan)

Lansing — As Michigan lawmakers crafted [a record \\$76 billion budget and handed out about \\$1 billion in earmarks earlier this summer](#), lobbyists spent more money than ever before to influence the Legislature's decisions, according to a Detroit News analysis.

From January through the end of July, interest groups and businesses reported spending \$28.1 million on lobbying at the state level, a 16% jump over the previous high mark for that period, \$24.2 million, set in 2021.

The lobbyists were trying to influence the \$1 billion spending spree on projects that was orchestrated largely behind closed doors by Michigan's leaders with taxpayer money being directed to benefit the plans of private developers, campaign donors and political interest groups, a weeks-long Detroit News investigation found.

Many in Lansing, including lawmakers and lobbyists themselves, tie the jump in spending to the state government's current financial picture. Officeholders have been weighing how to disburse billions of dollars in federal COVID-19 relief funds and surplus state dollars.

New groups attempting to get a piece of the money, a natural spending increase at the end of a four-year term and a rebound from the COVID-19 pandemic likely all contributed to the overall lobbying surge, said Dennis Muchmore, a longtime Lansing lobbyist and government relations and regulatory adviser for the Honigman law firm.

As one group of term-limited lawmakers prepares to depart the Legislature, many firms hire new staff, which sets up a situation where "new people are chasing around new money," Muchmore said.

"There is no lobbyist starving to death in Lansing," said Muchmore, a former chief of staff to ex-Gov. Rick Snyder. "They've got plenty of clients."

The new budget was approved by the Legislature, with broad bipartisan support, in the early morning hours of July 1. Rep. Steve Carra, R-Three Rivers, was one of nine no votes.

He said the legislation shifts money from taxpayers to the politically connected.

"Lansing is getting exactly what they want," Carra said of the budget.

Many of the state budget's details were negotiated behind closed doors by House and Senate leaders and representatives of Democratic Gov. Gretchen Whitmer's administration. Some legislators did not know [projects benefiting their own districts were included in the funding plan until](#) weeks after the final votes.

Some lawmakers have defended the process, saying it was necessary to bridge divides between Whitmer and the GOP-controlled state Legislature.

The budget [dedicates a record amount of money to K-12 education](#), makes a \$180 million deposit into the state's rainy day fund and [leaves billions of dollars unspent](#) that could be used for future tax relief.

"The budget was negotiated in a bipartisan way with representatives, senators and a governor who represent many different areas of the state," said Gideon D'Assandro, spokesman for House Speaker Jason Wentworth, R-Farwell.

Likewise, state Sen. Tom Barrett, a member of the Senate Appropriations Committee, said while there were many "fingers in the pie" with the new budget, it was balanced and featured funding for critical needs.

For all 12 months of 2021, [Michigan lobbyists disclosed about \\$44.2 million in spending, up 3% from the previous record high for a full year set in 2019.](#)

Registered lobbyists in Michigan file two reports on their spending per year, which provide only broad details of how they operate in Lansing. The reports cover two periods: one from the beginning of January through the end of July, and one from the beginning of August to the end of December.

Lobbyists have to disclose spending in three broad categories: food and beverage for officeholders, mail and advertising, and "other" expenses.

The wide majority of the expenditures happen in the "other" category, which includes payments to hire multi-client firms or individuals to advocate on behalf of companies or nonprofits.

Of the 10 biggest spenders on lobbying over the first seven months of 2022, eight were multi-client firms that were paid to work for a variety of interests. Governmental Consultant Services Inc., also known as GCSI, reported \$1.2 million in lobbying spending, Kelley Cawthorne reported \$932,826 and Midwest Strategy Group said it spent \$834,788.

Among nonprofits and businesses, the top spenders on lobbying expenses were the American Civil Liberties Union at \$2.4 million, the Michigan Education Association at \$322,902 and pharmaceutical giant Eli Lilly and Co. at \$179,879.

In Michigan, lobbyists don't have to detail what policies or bills they're working on.

Over the first seven months of 2022, lobbyists reported spending \$327,365 on food and beverage for Michigan officeholders.

[Lobbyists peel off from Harris's office but stick with Biden](#) (Federal)

The number of federal lobbyists turning to Vice President [Kamala Harris's](#) office to influence [White House](#) policy has contracted under the [Biden administration](#), according to a review of federal records by the *Washington Examiner*.

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In numerous cases, the issues align with the vice president's policy interests on broadband access, voting rights, or black maternal healthcare. The Immigration Hub, an organization backed by Laurene Powell Jobs's sprawling Emerson Collective philanthropy and led by a former Harris aide, has focused on a dizzying range of issues, from a Justice Department counterespionage program to Title 42 exceptions for Ukrainians to abortion care.

Often, the companies are lobbying the White House and other departments and agencies at the same time.

Federal records indicate how the spending scale differs between the vice president and president's offices, as well as the issues a company might target.

In a [first-quarter filing](#) that covered the vice president's office, White House, and Congress, Blue Origin, an aerospace company founded by billionaire Jeff Bezos, spent \$50,000 on lobbyists to assist with aerospace regulations and policies and other government relations issues, according to federal records.

By comparison, the firm racked up \$560,000 in lobbyist fees for their work on Build Back Better, the Defense Appropriations Act of 2022, and other legislation in the first quarter of 2022, when a [filing](#) shows they targeted the White House, Pentagon, Congress, Federal Aviation Administration, and NASA.

The numbers for Harris's office mark a dramatic shift from the previous administration, during which a record 377 companies and interests lobbied Pence and his aides in the administration's final year, up from 235 in 2017.

In 2021, 134 interests lobbied Harris's office, according to the Center for Responsive Politics. A further 77 registered to do so in the first two quarters of 2022.

While the number of lobbyists covering the president and vice president's offices jumped after former President Donald Trump came into office, the increase was most stark for Pence's office.

Pence served "as a kind of second White House chief of staff on regulatory issues" and his office "as a key entryway to reach officials" with whom he had helped staff federal agencies," the *Washington Post* [wrote](#) in 2018 of the former vice president's draw.

The numbers for Harris are historically closer to the mean and higher than any year when [Joe Biden](#) was vice president under [Barack Obama](#).

But Biden's White House has not seen the same drop in lobbying interests. Over 1,400 companies hired lobbyists to advance their interests inside Biden's White House last year, more than lobbied Trump's White House in any year.

"Unless you have the ear of [chief of staff] Ron Klain or [White House counselor Steve] Ricchetti ... you're wasting your time, basically," said one source with clients seeking to advance their business interests with the Biden administration on a broad range of economic and trade issues.

The leveling-off corporate interest in lobbying the vice president's office suggests Harris occupies a more traditional role. The vice president's influence with Biden has also been [called into question](#), as their schedules show fewer one-on-one meetings.

Approaching the end of their second year in office, Harris and Biden now meet less frequently for lunch than in their first year, according to a review of their schedules.

As lobbyists flock to the White House and Biden's aides, it is not unusual for those with close ties to officials to see their client lists surge.

That is true of lobbyist Jeff Ricchetti, whose brother is one of Biden's closest aides. Jeff Ricchetti's firm pulled in \$1.7 million in fees during the first half of 2022 and was paid more than \$3.1 million in 2021 to work for [clients such as General Motors](#) and Amazon, disclosures show.

His firm's client list grew rapidly after Biden was elected, doubling its fees over the previous year.

Jeff Ricchetti has long been a registered lobbyist and has worked in the past alongside his brother, Biden's counselor.

Jeff Ricchetti's work on Biden's infrastructure bill as a lobbyist for GM and for pharmaceutical and energy companies drew [attention](#) last year to the president's promise to turn the page on the Trump administration's ethics handling.

While running for office, Biden pledged to "restore ethics in government."

Biden's appointment of Anita Dunn, who during two earlier White House stints bypassed traditional disclosure obligations with a temporary role, has also drawn scrutiny. Dunn's [93-page filing](#) lists nearly 20 clients, including Pfizer, AT&T, Micron, the American Clean Power Association, Lyft, Salesforce, Reddit, and Melinda French Gates's company, Pivotal Ventures, as well as an extensive investment portfolio.

The White House has said she intends to divest her assets, valued from \$16.8 million to \$48.2 million, according to [an estimate](#) by CNBC. Dunn joined the White House in May, leaving some ethics attorneys [questioning the Biden administration's promise](#) to run the most upstanding administration in history.

"Why have three months gone by with these massive conflicts of interest?" Walter Shaub, director of the Office of Government Ethics under Obama and briefly under [Trump](#), [told the Washington Examiner](#) last month.

Shaub also said Dunn likely held the same financial interests during her earlier stints at the White House but that these were shielded from view by technicalities.

