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Weekly Lobbying Articles

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Providence Journal

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After federal win, internet providers fight net neutrality effort in R.I.

<http://www.providencejournal.com/news/20180321/after-federal-win-internet-providers-fight-net-neutrality-effort-in-ri>

Internet service providers are promising to maintain a free and open internet. They just but don't want Rhode Island lawmakers to try to make them to do it.

Telecommunications and cable companies this week mobilized to stop two bills in the General Assembly that would use state government purchasing power to try to keep soon-to-expire federal "net neutrality" rules in place.

After successfully lobbying last year to end net neutrality rules at the Federal Communications Commission, the industry is arguing at state houses around the country against proposals such as the ones in Rhode Island.

"Regardless of any legal mandates, broadband Internet service providers will not block or throttle lawful Internet traffic or engage in unfair discrimination against lawful content, applications, or devices," wrote Matthew Brill, a lawyer representing the New England Cable and Telecommunications Association, in testimony to the House Corporations Committee.

"At the same time, NECTA opposes any effort by Rhode Island or other states to establish their own net neutrality regimes because state legislation is unnecessary and would be counterproductive and unlawful."

Industry and pro-net neutrality lobbyists, some from flying in from Washington, D.C., crammed into a House Corporations Committee meeting Tuesday to testify about net neutrality bills from Providence Democratic Rep. Aaron Regunberg, who is also running for lieutenant governor; and another sponsored by members of House leadership including Rep. Brian Patrick Kennedy, D-Hopkinton.

"Given how internet traffic flows between, among and across states, a patchwork of state laws attempting to regulate how content and services are delivered over the internet would simply be unworkable," wrote Jonathan Banks, senior vice president at US Telecom.

But net neutrality supporters, like Chad Marlow of the American Civil Liberties Union in Washington, said that without new laws like the Rhode Island proposals, the future of the internet could look more like the censored live stream of a 2007 Pearl Jam concert.

“In the absence of net neutrality in the United States and elsewhere we have seen content slowed and blocked based upon the political views and business interests of [internet service provider] companies,” Marlow told Corporations Committee.

As examples, Marlow offered AT&T’s apology after Pearl Jam’s criticism of then-President George W. Bush was blocked from a web stream; Verizon rejecting abortion-rights group Nara Pro-Choice from a text message program; and all of the major telecom companies blocking Google Wallet to help their own payment systems.

Net neutrality refers to the concept that internet service providers cannot block, slow down or speed up different content over the web, for either political or financial considerations.

The Federal Communications Commission decision to end the Obama-era net neutrality rules, effective April 23, also preempted states from trying to regulate the internet on their own.

The Rhode Island net neutrality bills from Regunberg and Kennedy skirt that issue by only targeting government contracts. They would prevent state agencies or municipalities from buying internet services, including mobile phone data, from providers that don’t honor net neutrality rules.

Regunberg said that although the two bills are very similar, his version features narrower language meant to avoid any conflicts with federal law.

But despite five members of House Speaker Nicholas Mattiello’s leadership team sponsoring the Kennedy bill, it may face an uphill battle getting a vote.

“Speaker Mattiello believes that net neutrality is essentially regulated by the federal government and there is little ability for the state to affect this issue,” Larry Berman, spokesman for the speaker, wrote in an email. “He has spoken to internet providers and they have assured him they have no plans of changing their net neutrality policies, so he believes this issue is not imminent. However, the bill was heard by the Corporations Committee and he will confer with Chairman [Robert] Jacquard and the committee members to review the testimony.”

The Washington Post
March 21, 2018

U.S. companies are pressuring their workers on how to lobby and vote

https://www.washingtonpost.com/news/monkey-cage/wp/2018/03/21/u-s-companies-are-pressuring-er-educating-their-workers-on-how-to-lobby-and-vote/?utm_term=.576eaf08d9a8

U.S. businesses are cultivating a new political resource: their own workers. When Republicans wrote their tax bill late last year, many companies pushed their employees to support specific policy provisions

and to let their lawmakers in Washington know. UPS, for instance, hosted employee town halls with Republican politicians to advocate for the bill.

Vice President Pence even urged a group of CEOs to visit their companies' cafeterias to get employees to help lobby for the bill. Episodes like this one have become much more common across companies large and small in recent years. Why do businesses try to turn their employees into lobbyists? And does it work?

Here's how I did my research

In my new book, "Politics at Work: How Companies Turn their Workers into Lobbyists," I examine employers' relatively new — and increasing — efforts to rally their workers on behalf of policies and candidates that companies support. According to one business association's polling, since 2000, nearly four times as many employees are hearing about politics from their bosses. In my own review of corporate activities, I found that until the late 1990s and early 2000s, companies didn't commonly try to recruit employees as voters and lobbyists.

That has changed. Roughly a quarter of U.S. employees say that they have heard about politics from their bosses. That's what I learned from a nationally representative telephone poll of 1,032 non-self-employed U.S. workers, which I commissioned for the book and which was conducted by SSRS Inc. in April 2015. The survey involved live interviews using random-digit dialing of landlines and cellphones; the response rate was 6.7 percent.

I found similarly consistent results in interviews with more than 30 corporate executives from randomly selected large U.S. companies and national business associations involved in government affairs, as well as from a survey of more than 500 business leaders (both conducted over the course of 2015). In the interviews, corporate managers said mobilizing employees offered a lot of "bang for the buck." On the survey, responding managers ranked mobilizing employees as being about as effective at changing policy as hiring lobbyists — and even more effective than making PAC contributions. Among managers at businesses with PACs, 17 percent ranked PAC contributions as their most effective strategy; 25 percent of managers ranked mobilization of employees as being most effective.) The bottom line from both data sources: Managers said mobilizing employees was now part of many large U.S. companies' core political strategies.

So why do companies use workers for political ends?

First, as political scientists such as Lee Drutman, Jacob Hacker and Paul Pierson, and David Vogel have described, businesses today have more to gain (or lose) than they did before from what government does and does not do. A wave of government regulation in the 1960s and 1970s brought big potential costs to many U.S. industries. As a result, businesses have been looking for new opportunities to shape politics — including mobilizing workers.

Second, the costs of communicating with workers about politics have declined. Managers can use software platforms to send requests to workers — and even to track whether those workers take the suggested actions. Nor do employers have to worry about competing messages in the workplace. A generation ago, unions might have been delivering opposing messages on the same policies or candidates. But the private-sector labor movement has collapsed, making that much less likely today.

Third, the Business-Industry Political Action Committee (BIPAC) and other trade groups have been pushing executives to recruit their employees into politics. Beginning in 2000, BIPAC and other groups taught corporate managers that mobilizing workers was legal, easy and could yield big political payoffs.

What's in it for business?

Sometimes managers are trying to elect a particular candidate. During the 2012 election, Wynn Resorts distributed a voter guide advocating for candidates for state and federal office who would support the firm and the gambling industry. Businesses I interviewed also encourage workers to vote for particular state judges — since an unfriendly bench can impose big costs on companies.

Managers also try to cultivate relationships with politicians to draw on in future political contests. A manager at one household-goods manufacturer told me that they would bring politicians into their plants and “give them rallies and that kind of support,” including asking employees to back their campaigns. Later, the company reminded those politicians of that support during a 2015 debate over reauthorizing presidential trade negotiation powers, which the company strongly supported.

Other times, managers try to reorient workers' thinking about politics more generally. The home improvement chain Menards, for instance, encouraged its 40,000 employees to take an at-home civics course that stresses free-market economics, including the downsides of taxes, minimum wages, and social welfare programs.

Do these efforts pay off?

Examples abound of successful company efforts. In 2014, oil giants ConocoPhillips, BP and ExxonMobil mobilized their workers in a battle over an Alaskan ballot measure to repeal tax cuts on oil production. The companies held mandatory employee meetings, posted signs, sent companywide emails and promoted websites urging workers to vote in favor of the tax cuts. I present evidence in the book that the repeal measure may have failed in part because of these mobilization drives.

Employers can also change how congressional legislative aides understand public attitudes, simply by urging their employees to contact their members of Congress. In 2016, Matt O'Mildenberger, Leah Stokes and I conducted an online survey of 101 senior congressional aides. These staffers reported taking employee letters very seriously when assessing constituents' opinions.

Finally, there's evidence that, when companies endorse candidates, employees tend to contribute to those same politicians. In the 2014 elections, after BIPAC released its endorsements, employees at BIPAC companies gave twice as much, on average, to those congressional candidates than they did before the endorsements were made (according to disclosed federal contribution data). Other researchers have found similar results in previous elections, too.

A new form of business power

Businesses, like other political interests, don't always get what they want. But this new grassroots game gives businesses a greater edge in elections and legislative debates. To understand why businesses seem to get what they want so often in politics, we need to look beyond campaign contributions or lobbying and consider why and when employers mobilize their workers.

StarTribune
March 20, 2018

Groups spend \$74M to lobby policymakers and the Public Utilities Commission

<http://www.startribune.com/groups-spend-74m-to-lobby-policymakers-and-the-public-utilities-commission/477455423/>

A couple of business groups and the state teachers union spent the most money lobbying lawmakers last year — but the organization that shelled out the largest sum to influence Minnesota government officials in 2017 was not focused on the Legislature.

Enbridge Energy Partners dwarfed the usual big spenders by doling out \$5.3 million, nearly all of which was used to influence the Minnesota Public Utilities Commission, according to data released Tuesday. The utilities commission is weighing whether to approve Enbridge's proposal to replace its Line 3 crude oil pipeline across northern Minnesota. The millions paid, in part, for legal support and weeks of evidentiary hearings during the Line 3 regulatory process, Enbridge spokeswoman Shannon Gustafson said.

Special interest groups, representing everything from restaurants to real estate agents to private colleges, spent a total of \$74 million to lobby state and local officials last year, according to the Campaign Finance and Public Disclosure Board. Of that, \$10 million was used to influence the Public Utilities Commission. It's the most ever reported for lobbying the commission.

The Minnesota Chamber of Commerce spent nearly \$2.2 million, the second most behind Enbridge. The Minnesota Business Partnership, which represents large state-based corporations, and the teachers union Education Minnesota trailed those groups, each spending roughly \$1.4 million on lobbying.

"We work tirelessly for our members to enhance their ability to succeed, stay, and grow in Minnesota," Laura Bordelon, Chamber of Commerce senior vice president for advocacy, said in a statement. "That includes lobbying the Legislature, state agencies and the Public Utilities Commission to promote responsible, pro-business policies that create jobs and grow the economy for the long-term."

The Minnesota Business Partnership focused on three main areas during the last legislative session: creating an environment where jobs can grow by cutting taxes on businesses, closing the gap in education outcomes between white students and students of color, and improving transportation and road infrastructure, said Executive Director Charlie Weaver, one of the organization's four lobbyists.

"Taxes remain at the forefront for everybody at the Capitol," Weaver said of the current legislative session. Republican legislators and DFL Gov. Mark Dayton are at loggerheads over how to alter Minnesota's tax code in response to federal tax changes. And lobbyists from groups such as the Minnesota Business Partnership will be giving their opinion.

Education Minnesota, which represents teachers and other school staff, made one of the most dramatic spending increases of any group from 2016 to 2017. Their lobbying dollars, paid for by union membership dues, grew from \$440,000 to about \$1.4 million. The group's spending tends to be higher in odd years, when the governor and Legislature set the two-year state budget.

Republicans, who had previously controlled just the House, also took the majority in the Senate in 2017. Education Minnesota President Denise Specht said the GOP came in with bills the union opposed. Much of the lobbying money was spent on television and radio advertisements to oppose school vouchers and support licensing prekindergarten teachers and general funding for education, she said.

"We needed to defend public education and the funding that goes into public schools. We were facing the weakening of licensing standards for teachers," Specht said. "We really had to fight last year."

CenterPoint Energy, the state's largest gas utility, was another group that significantly increased spending at the Capitol, from less than \$500,000 in 2016 to nearly \$1.3 million last year. The bulk of the cash went to influencing the Public Utilities Commission, which regulates the utility's rates. CenterPoint spokeswoman Becca Virden said the increase was tied to the company's request in August to hike its rates.

The lobbying from businesses seeking a rate increase or pipeline replacement is just one piece of what the commission considers, along with public input and information from other state agencies, said Dan Wolf, executive secretary for the Public Utilities Commission.

"The commission makes its decision based on the entire record before it," Wolf said.

While overall spending related to the Public Utilities Commission grew in 2017, the total spent to influence legislators, metro government and administrative agencies was about \$64 million — on par with average total expenditures over the past decade. Along with the organizations representing businesses, teachers and utilities, local government and health care groups also put a lot of money toward influencing policymakers.

The League of Minnesota Cities and the Coalition of Greater Minnesota Cities each spent more than \$650,000 on lobbying efforts, and the spending of various health care and hospital groups totaled several million dollars.

The Cap Times
March 19, 2018

Former Rep. Tom Petri joins effort to strengthen campaign finance laws, political participation

http://host.madison.com/ct/news/local/govt-and-politics/election-matters/former-rep-tom-petri-joins-effort-to-strengthen-campaign-finance/article_501eb340-0b93-5d23-b235-9317203907b3.html

After more than three decades in Congress and three years of retirement, former U.S. Rep. Tom Petri has a new cause: fixing democracy.

Petri, a Republican who represented the state's 6th congressional district for 18 terms, is one of three Wisconsinites involved in Issue One's ReFormers Caucus, a bipartisan group of nearly 200 former members of Congress and governors pushing for strengthened campaign finance regulations and a return to bipartisanship.

The group launched a national "Fix Politics Now" campaign last week in Philadelphia, urging congressional candidates to support measures including incentives for small-dollar campaign contributions, increased disclosure of political contributions and expenditures, banning lobbyists from contributing to or bundling for congressional campaigns and strengthening the Federal Elections Commission's ability to enforce the law.

"Despite all its frustrations, the political process is very important and we should make it as open and fair as possible so as many people can effectively participate in it as possible," Petri said in an interview. "In a democracy you're not always going to get your way, but you want to at least be able to have had a chance to have your say."

Members of Issue One have proposed a set of solutions they say would return the U.S. government "to the representative path the founders envisioned" by "sever(ing) the money connection between powerful private interests and our elected government."

Their framework covers five broad themes: promoting transparency and disclosure in government and elections, increasing participation in politics, reducing pay-to-play policymaking, strengthening enforcement of campaign finance laws and improving government integrity and accountability.

At the heart of these issues is "the dysfunction of the Federal Election Commission," Petri said.

The FEC, which is charged with overseeing and regulating campaign fundraising and spending, is frequently deadlocked along party lines. Its former chairwoman described it as "worse than dysfunctional" in a 2016 interview with the New York Times.

"People want to change the rules and make them fairer, but even the ones we have are not being very well administered," Petri said.

Issue One supports a bipartisan bill that would take the commission down from six commissioners to five. A commission chairperson would lead the agency for a 10-year term.

Petri also lamented the amount of time members of Congress must spend on fundraising, both for their own campaigns and for their party's broader efforts. For too long, Petri said, lawmakers are encouraged to raise money in order to earn choice committee assignments. He tied that trend to Republican former House Speaker Newt Gingrich and Democratic former House Speaker — now Minority Leader — Nancy Pelosi, under whom committees were brought increasingly under the control of leadership.

"For most members, that means raising money from people who have interests before the committees on which they serve, which is not a very healthy dynamic," Petri said. "That's the system that's being promoted by leaders in both political parties, and one of the reasons I think the public talks about 'the swamp.'"

Petri said he would like to see the government offer tax credits or rebates to small-dollar donors for their campaign contributions. Doing so would not only make politicians less reliant on a handful of large donors, it would also encourage more people to participate in politics, he said.

Petri is joined in the ReFormers Caucus by Republican former Rep. Reid Ribble, who represented Wisconsin's 8th Congressional District from 2011-2017, and Democratic former Rep. Jim Moody, who represented the state's 5th Congressional District from 1983-1993.

ArkansasOnline
March 19, 2018

Former Arkansas legislator's name surfaces in graft case

<http://www.arkansasonline.com/news/2018/mar/17/former-lawmaker-admits-to-accepting-cra-1/>

Henry "Hank" Wilkins IV, county judge of Jefferson County, took \$100,000 in bribes from indicted lobbyist Milton Russell "Rusty" Cranford while serving in the Arkansas Legislature, an assistant U.S. attorney said Friday in federal court.

The money purportedly was given in the form of donations to the Pine Bluff church where Wilkins is pastor.

Assistant U.S. Attorney Steven Mohlhenrich made the statements during Cranford's arraignment on corruption charges Friday in Missouri. Mohlhenrich asked that Cranford, 56, of Bentonville, be denied bail, alleging that the lobbyist plotted to kill one witness and persuade others, including Wilkins, to lie to investigators.

Wilkins, a longtime state and county elected official and church pastor, has not been charged with any crime, according to available federal court records. He did not respond Friday afternoon to several telephone and email messages from the Arkansas Democrat-Gazette.

Wilkins made the bribery admission in a Feb. 22 statement to the FBI, according to government attorneys.

That was the day after Cranford's arrest on corruption charges in an alleged scheme in which executives for a Springfield, Mo.-based behavioral health care provider paid bribes through Cranford's lobbying firms to obtain state grants and other taxpayer money.

Mohlhenrich told U.S. Magistrate Judge David Rush that Wilkins told the FBI in his February statement that donations Cranford made to his church were in fact bribes for Wilkins' support as a state lawmaker from 2011 to 2015.

A plaque to honor Cranford's contributions hangs on a wall at Wilkins' church, St. James United Methodist in Pine Bluff, the prosecutor said.

At Friday's hearing, Cranford pleaded innocent to all charges. Rush took the government's motion to deny bail under advisement and will rule on it early next week, he said from the bench at the end of the hearing that took about an hour and a half.

Part of the government's detention request stems from an alleged murder-for-hire plot under investigation, according to federal prosecutors.

Cranford also has been mentioned by name in federal court proceedings involving two former state lawmakers in Arkansas accused of taking kickbacks from him, but he hasn't been charged in that case.

Cranford's attorney, Nathan Garrett of Kansas City, Mo., argued that the murder-for-hire accusation was a far, far stretch based on loose interpretations mixed with outright fiction.

The felon Cranford supposedly approached for the job has no car and has to hitchhike to a store to buy groceries, Garrett said. Yet he was supposed to travel to southern New Jersey, kill a prominent consultant there and escape without being detected, if the government's contention is to be believed.

The only purpose of denying bail, Garrett argued, would be to increase the pressure on an alleged conspirator the government has been trying to get to talk for years.

A federal grand jury in Springfield indicted Cranford on Feb. 20 on one count of conspiracy and eight counts of accepting bribes.

Cranford's indictment in the western district of Missouri "comes as part of a larger set of interconnected investigations and prosecutions involving public corruption and the misuse and embezzlement of public funds entrusted to tax-exempt charities, in the western district of Missouri, and in the eastern and western districts of Arkansas," federal prosecutors argued in the motion to deny his release.

The indictment against Cranford relates to alleged illegal lobbying for Preferred Family Healthcare of Springfield. Preferred Family operates substance-abuse and behavioral-health treatment centers in five states, including Arkansas. It has 47 sites in Arkansas alone, according to the company's website.

Preferred Family facilities in Arkansas received \$33.4 million in Medicaid reimbursements in 2016, among other state and federal taxpayer funds, according to court documents in cases involving people accused of conspiring with Cranford.

Executives of Preferred Family embezzled at least \$4 million from the nonprofit group between 2011 and January of 2017, according to federal prosecutors.

Most of the money went for illegal lobbying Cranford helped direct, the government alleges. The rest went to Cranford and his co-conspirators, according to Cranford's indictment and guilty pleas by two of his business associates in the case.

"Cranford is likely to face significant additional charges in more than one federal district, and advisory sentences of up to life imprisonment under the United States sentencing guidelines, should he be convicted," the government's motion to deny him bail says.

Cranford has been a registered lobbyist in Arkansas since at least 2005, secretary of state records show. His lobbying firms over the years include Cranford and Associates and the Cranford Coalition. Those firms' clients listed in his state reports consist largely of behavioral health care providers.

In 2007, Cranford became an employee and manager of Alternative Opportunities, a predecessor organization to Preferred Family Healthcare, according to a spokesman for Preferred Family. Preferred Family and Alternative Opportunities merged in 2015. The company has used the name Preferred Family since. Cranford's contract with the nonprofit company was terminated June 2.

LOBBYING, KICKBACKS

The purported illegal lobbying reached members of Congress from Missouri and elsewhere, according to documents related to the guilty plea of a person accused of conspiring with Cranford. Such lobbying isn't allowed for entities like Preferred Family because they receive Medicaid and other government money to provide health care services to Medicaid recipients.

Cranford's two business associates who have pleaded guilty since December to corruption charges related to Preferred Family Healthcare are Philadelphia-based political consultant D.A. Jones and former Arkansas state Rep. Eddie Cooper of Melbourne. Both guilty pleas describe a then-unidentified Arkansas lobbyist who participated in Jones' and Cooper's crimes. Bail hearing documents filed Monday identify that person as Cranford.

Jones pleaded guilty Dec. 18 to one count of conspiring to defraud Preferred Family. Cooper pleaded guilty Feb. 12 to one count of conspiracy to embezzle.

Cranford helped arrange the deal in 2011 between the nonprofit's executives and Jones, according to Cranford's indictment. The intent of the lobbying was to steer taxpayer money, including grants, to Preferred Family. Jones lobbied members of Congress while Cranford and Cooper lobbied Arkansas lawmakers, according to court records.

Executives of Preferred Family involved in the scheme also lobbied by making political contributions under the guise of reimbursement for business expenses, according to federal prosecutors.

The Preferred Family executives involved recorded the money taken from the nonprofit group as consulting and training costs, according to Cranford's indictment. In all, Cranford's lobbying firms were paid \$3 million from Preferred Family over the course of six years, according to Cooper's guilty plea.

Cranford is accused of arranging \$264,000 in kickbacks from Jones in return for Cranford and Cooper's help in securing an agreement between Jones and Preferred Family Healthcare. Under the agreement, Jones, 62, of Willingboro, N.J., was paid \$973,807 between February 2011 until January 2017, according to Jones' guilty plea.

Cranford or companies he controlled received \$219,000 in kickbacks from Jones, according to Cranford's indictment. Another \$45,000 went to Cooper, according to Cooper's guilty plea.

Cooper was a manager employed at Health Resources of Arkansas, a Batesville subsidiary of Preferred Family, and a member of Preferred Family's board for several years while the arrangement with Jones was in effect, according to Cooper's plea. Cooper also worked for Cranford as a member of Cranford's

lobbying firm, the Cranford Coalition, from 2011 to 2015. Cooper is no longer employed by Preferred Family.

Cranford's alleged murder-for-hire plot, under investigation in Arkansas, targeted Jones, according to the motion to deny bail. A month before pleading guilty, Jones had refused pleas by Cranford to lie to investigators, the detention motion says.

ARKANSAS CASES

In Arkansas, then-state Rep. Micah Neal of Springdale pleaded guilty Jan. 4, 2017, to accepting a kickback in 2013 from Cranford. The kickback was in return for Neal's help in obtaining \$400,000 in General Improvement Fund grants for a company Cranford presided over and helped create called AmeriWorks.

Then-state Sen. Jon Woods, also from Springdale, faces trial April 9 over accusations he played a role in the same scheme.

Cranford has been mentioned by name in court proceedings in Woods' case, but hasn't been charged in that matter.

Cranford incorporated AmeriWorks along with "David Hayes," according to secretary of state records. The western Missouri U.S. attorney's office confirmed Friday that is accountant David Carl Hayes, 59, of Springfield. Hayes was found dead at his farm near Springfield in November in an apparent suicide after pleading guilty June 12 to embezzling almost \$3 million, including almost \$2 million from Preferred Family's predecessor organization, Alternative Opportunities, where he oversaw mergers.

Federal investigators for months asked for the working papers of as-yet unnamed Arkansas lawmakers in their investigation of General Improvement Fund grants. A recent court order on motions in the Woods case confirms that investigation is ongoing and far reaching.

The investigation isn't only looking into lawmakers who approved grants, but into recipients of those grants to make sure the money was spent as intended, according to the judge's order.

FINANCES, FIRINGS

Monday's detainment motion also says Preferred Family's "leadership" agreed to put three payments totaling \$400,000 "to the trust fund account of Cranford's attorney, for Cranford's legal expenses" in connection with the federal investigation.

Paying Cranford's attorney was part of an agreement to terminate Cranford's August 2016 contract with Preferred Family, the motion says. That buyout agreement was reached between Cranford and unnamed Preferred Family executives on June 2, 2017 -- five months after Neal pleaded guilty in the Arkansas improvement fund kickback case and after Woods had been indicted.

Garrett took exception to the characterization Friday, saying the money was put in trust to pay for all of Cranford's expenses and shouldn't be interpreted as some sort of legal-defense fund.

The termination agreement also forgave a debt of \$35,000 Cranford owed the nonprofit and a provision that Preferred Family would pay a \$165,000 personal loan of Cranford's. The loan was secured with Preferred Family assets, according to the detainment motion.

Preferred Family's board placed three members of its executive team on administrative leave Nov. 9 and later fired them, according to Preferred Family and the detainment motion. The unanimous vote to place the three on leave came two weeks after government attorneys in Missouri briefed the nonprofit's legal team on its investigation, the motion says.

On Tuesday, Preferred Family issued a statement confirming the identities of the fired executives for the first time. They are: Tom Goss of Springfield, former chief financial officer; Bontiea Goss, former chief operating officer and Goss' wife; and Marilyn Nolan, also of Springfield, a longtime member of the nonprofit group's executive team.

Tom Goss' attorney, Christopher Plumlee of Little Rock, said in an email Tuesday that his client had no comment on the case.

Bontiea Goss' attorney, Melanie Morgan of Kansas City, Mo., works for a law firm that has a policy of not commenting on active cases, a spokesman for her office said Wednesday. Morgan confirmed later by email that she's representing Bontiea Goss but gave no further comment.

Attempts to find contact information for either Nolan or legal counsel for her have been unsuccessful since Tuesday. Preferred Family has said in earlier statements that it is not allowed to disclose Nolan's personal contact information.

WILKINS AND THE GRANT

While Wilkins couldn't be reached for comment Friday, the Arkansas DemocratGazette interviewed him in September, about a \$50,000 General Improvement Fund grant he directed to AO Dayspring Behavioral Health Services of Arkansas at Monticello in late 2013, according to grant records.

The grant applicant was Rusty Cranford, who was listed as CEO of AO Dayspring, according to the application obtained by the newspaper under a Freedom of Information Act request.

The General Improvement Fund grant application requested \$150,000. Wilkins approved \$50,000.

The newspaper asked Wilkins whether anyone promised kickbacks in connection with the grant.

"Oh no," Wilkins said then. When a former legislator pleaded guilty in early 2017 to accepting kickbacks in connection with General Improvement Fund grants, Wilkins told the newspaper, he was "quite horrified."

"I'm not going to blame everything on being a pastor 85 percent of my life. But one would probably be less prone to approach me," he said.

Wilkins has been a well-known figure in Pine Bluff and the state for at least two decades.

A Democrat, Wilkins announced Feb. 14 that he wouldn't seek re-election after one term as Jefferson County judge, saying he had been "offered some opportunities in the private sector."

From 1999 to 2015, Wilkins served in the state House or Senate.

A biographical sketch of Wilkins prepared when he was assistant pro tempore for the Arkansas Senate, in 2009 to 2010, said he has pastored churches in Arkansas, Kansas, Missouri and Texas. He was pastor

then of Saint James Church in Pine Bluff, which had "experienced a 20- fold growth in membership" and was then "the largest African-American United Methodist Church in Arkansas."

Chicago Tribune
March 16, 2018

Repealed soda tax spawns two Cook County Board races and \$1.8 million in campaign cash

<http://www.chicagotribune.com/news/local/politics/ct-met-cook-county-board-races-20180316-story.html>

The controversial soda pop tax that was repealed last year by the Cook County Board amid a public backlash has spawned two fierce Democratic primary election contests fueled by \$1.8 million in campaign cash.

Union-backed challengers Brandon Johnson and Bridget Degnen are taking on tax-opposing Commissioners Richard Boykin and John Fritchey, contending layoffs triggered by the pop tax repeal have diminished vital county services. Both cite finding new ways to raise more government revenue as priorities.

That raises a key question: Can two candidates calling for more government spending win office in an era of tax fatigue after a state income tax hike, record city property tax increases and the short-lived pop tax?

Campaign contributions to all four candidates this election cycle come to nearly \$1.4 million, even though it's not unheard of to win a County Board seat for \$100,000 or less. And political action committees have poured another \$442,000 in independent expenditures into the race. Most of the money comes from public employee unions that opposed the repeal of the pop tax and business interests that successfully fought to eliminate it.

The two contests are among several hotly contested Democratic primary races, including three for open seats and one with an appointed commissioner as the untested incumbent. Together, they could change the face of the 17-member County Board.

Boykin, the most outspoken Democratic opponent of the now-repealed penny-an-ounce sweetened beverage tax backed by County Board President Toni Preckwinkle, faces a challenge from Chicago Teachers Union organizer Johnson. They are battling to represent a district on the city's far West Side and near western suburbs.

Although Johnson says he would not have supported the pop tax, he also says "funding county services" like health care is his "No. 1 priority." To do that, he advocates a head tax — a peremployee tax on county businesses — with breaks for companies that employ people in economically struggling areas. One of those would be Austin, where he lives.

"I'm saying: Hire from our neighborhoods, and that head tax would be less," Johnson said. "You would generate revenue in the immediate. We would begin to confront unemployment."

Boykin, of Oak Park, doesn't like the idea of a head tax. The city eliminated it in 2014 after decades of criticism focused on the idea that it deterred job creation.

"A head tax would discourage businesses from coming (to the county), and it would draw businesses out of the county," Boykin said. "And it would be a job killer."

Johnson paints Boykin, a Washington, D.C., lobbyist who also voted in 2015 against the Preckwinkle-backed 1 percentage-point sales tax increase, as a Republican in Democrat's clothing who favors "austerity budgets."

Boykin chafes at that description, saying both the sales and pop taxes hit poor people the hardest. Boykin, a former chief of staff to Democratic U.S. Rep. Danny Davis, also noted his votes for government labor union contracts and sponsorship of minimum wage and paid sick leave legislation. And he said the budget cuts and layoffs triggered by the pop tax repeal did not harm delivery of core county services.

But the American Federation of State, County and Municipal Employees Council 31 sees it differently. The union is supporting Johnson because its members "were extremely impressed with his commitment to public services and working family issues," spokesman Anders Lindall said. "In contrast, our members had watched as Boykin misled the public about the county budget, falsely claiming that cuts wouldn't harm public services."

Boykin, though, is getting help from an unlikely ally for a Democrat. The JOBS Political Action Committee backed by the Illinois Manufacturers' Association has spent nearly \$250,000 on radio ads, mailers, digital ads and canvassing to support Boykin and oppose Johnson. Boykin had \$172,000 in his campaign fund at the start of the year and has since raised \$138,000, including \$40,000 from Citizens for a More Affordable Cook County, a political action committee that draws its money from the beverage industry.

Boykin makes no apologies for the spending by JOBS PAC, noting that it doesn't coordinate with his campaign. "I prayed to God that He would send somebody that could help offset the unions' money against me, and God answered my prayers," Boykin said.

Johnson has raised \$423,000 for his campaign. Most of the money came from unions, many of which opposed the pop tax repeal and the closing of vacant budget positions for which Boykin advocated. Preckwinkle, who also enjoys strong union support, endorsed Johnson on Friday.

Meanwhile, JOBS PAC also has gone in big for Fritchey, a former state lawmaker and current state and city lobbyist who also voted against the sales and pop taxes. He first campaigned for County Board on a pledge to repeal an earlier sales tax hike and now says cuts resulting from the pop tax repeal did not affect "front-line services."

JOBS has spent nearly \$150,000 to back Fritchey and oppose Degnen, a former medical marijuana dispensary regulator for the state of Illinois. Fritchey had \$87,000 in his campaign account at the start of the year, and has raised \$244,000 since, including \$54,000 from Citizens for a More Affordable Cook County.

Degnen, who's challenging Fritchey to represent a district that zigzags from downtown to the Northwest Side, has raised \$289,000 for her campaign, with about \$118,000 coming from unions. The labor-affiliated Working America Political Action Committee has spent about \$31,000 to canvass on her behalf.

Degnen said she would have voted against the pop tax. But she favors expanding health care services and finding new revenue sources to prevent further cuts.

"It's not about taxes," she said. "It's about finding revenue that's not tax based." She has proposed expanding environmental enforcement, which she did as a former assistant attorney general, and bringing in more money through related fines.

Fritchey responds by saying Degnen's "campaign may be the first time I've seen somebody wanting to run on the platform of making county government bigger and raising taxes. ... Just one of the reasons I voted against the soda tax is my constituents were clear they were taxed out."

Degnen also criticizes Fritchey for working as a lobbyist while holding a government post, including listing Lincoln Towing as a client on his state lobbyist registration.

"If you can't say no to Lincoln Towing, who are you going to say no to?" she said.

Fritchey said his lobbying has not interfered with his government work. He said he only made a telephone call to help arrange meeting with state officials and Lincoln Towing as it fought the suspension of its license. It was a favor for another lawyer he's known for 25 years, he said.

"I never advocated on behalf of Lincoln Towing," Fritchey said. "Any statement to the contrary is a complete and knowing lie."