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Two Ethics Reform Measures Clear House-Senate Conference Committee

Two ethics reform bills have been approved by a House-Senate conference committee while a third remains afloat.

But another measure, this one changing campaign finance laws, is on hold as lawmakers try to settle their differences.

The lead conferees on the bills are the respective chairs of the House and Senate judiciary committees, Rep. Chris Lee and Sen. Karl Rhoads.

Late Wednesday afternoon the conference committee approved [House Bill 170](#), which clarifies how the state's laws on fair treatment — not unduly using political influence — and conflict of interest laws apply to legislators and task force members. Its passage this session now appears certain.

HB 170 is supported by the League of Women Voters of Hawaii, Common Cause Hawaii and the Hawaii State Ethics Commission, which proposed it.

“This bill clarifies that task members who are often appointed for their specialized expertise aren't required to file financial disclosure statements,” the commission's executive director, Dan Gluck, said Wednesday. “It also clarifies that they are not treated the same as state employees for the purposes of the ethics code.”

Gluck said that task force members are often individuals who are appointed for limited purposes because of their experience. Having them subject to the same requirements as full-time state employees could discourage qualified applicants, he said.

‘Modest Changes’

Two other measures that are part of the Ethics Commission's package of bills are also advancing.

On Wednesday, the Senate agreed to the House's changes to [Senate Bill 144](#), meaning that the bill is almost certainly headed to Gov. David Ige for his signature.

SB 144 calls for repealing restrictions on obtaining transcripts of public contested hearings, requiring proof that violation of the state's lobbying law was committed negligently, and allowing the Ethics Commission to levy a fine as part of a settlement agreement.

In written testimony, Gluck said SB 144 makes “modest changes” to enforcement of the state's lobbyists law and “harmonizes” the law with the state's open records law.

A third measure from the commission, [House Bill 169](#), remains in conference committee.

HB 169 bill clarifies provisions of the ethics code by eliminating the “double filing requirement” of gift disclosure statements, reduces an “unnecessary administrative burden” on Ethics Commission staff by only requiring records to be kept for six years after the filing date of each

financial disclosure statement, and eliminates language that restricted access to transcripts from contested case hearings.

The bill also calls for providing flexibility for participants mandated to enroll in ethics training sessions.

In the report approving HB 169 as it moved through the House earlier this session, Rhoads wrote that the Judiciary Committee found that “under existing law, certain provisions of the State Ethics Code contain inconsistencies, inefficiencies, and overly burdensome administrative requirements.”

Decreasing Transparency?

Action on [House Bill 164](#), part of a package of bills submitted by the state’s Campaign Spending Commission, was delayed for at least another day.

Lee told Rhoads that the House plans to submit a compromise bill known as a conference draft. But the CD1, as it is called, is still being worked on.

HB 164 is intended to tweak campaign finance laws to make it easier to disclose who is spending money on political advertisements.

“Your Committee finds that the democratic election process benefits from transparency in campaign advertising,” [the latest report on](#) the bill reads. “Your Committee further finds that well-funded political action committees are capable of influencing elections to a significant degree. This measure will increase transparency and provide additional clarification to campaign advertising laws.”

But HB 164 was altered so significantly by the House in February that the commission’s executive director, Kristin Izumi-Nitao, ended up testifying against her own bill. She said [in written testimony](#) that the House amendments “will actually decrease transparency in campaign spending in elections.”

Izumi-Nitao pointed to the 2018 general election in which a couple spent \$30,000 on Facebook ads to support multiple candidates on Maui. The law required them to report whenever they spent more than \$2,000 on ads.

Under the amended [House Draft 1](#), however, the reporting requirement would be eliminated. There would also be changes to when the disclosures would have to be made.

As well, the HD1 as crafted by the House Judiciary Committee would exempt legislators as well as all other candidates from filing electioneering communications statements.

Izumi-Nitao urged the lawmakers to revert back to the original bill.

Gary Kam, the Campaign Spending Commission’s general counsel, told Civil Beat that the original bill merely sought to clean up language in the state law on electioneering communications.

For example, current law only requires reporting on campaign mailers that go out at bulk rates. The commission wanted the law to apply to all mail rates.

The commission’s goal was to make it easier for people to file statements with the commission every time they spent more than \$2,000 on political advertisements, including on social media.

Kam said he did not understand why the bill was changed.

“I never recall any side taking one of our bills and switching something out to actually reduce transparency,” he said, referring to the HD1. “The commission would never do that.”

The Senate last month amended HB 164 more to the commission’s liking, making sure language on electioneering communications was retained. But lawmakers also added additional reporting requirements that Kam described as burdensome.

People who spend more than \$2,000 to advertise for a candidate already have to report that within 24 hours after the ad buy. [The Senate Draft 1](#) requires weekly reporting as well.

It is these differences and others between House and Senate versions of HB 164 that need to be cleared up if the bill is to pass this session, which ends May 2.

[Ethics complaint accuses Kristen Rosen Gonzalez of violating lobbying rules](#)

An ethics complaint has been filed against former Miami Beach Commissioner Kristen Rosen Gonzalez alleging that she lobbied senior city staff on behalf of three construction companies in violation of the county’s ethics code. Executives of all three companies have donated to Rosen Gonzalez’s political campaigns.

The document, which was filed this week according to a source with knowledge of the complaint, centers on an April 3 meeting between Rosen Gonzalez, Assistant City Manager Eric Carpenter and Public Works Director Roy Coley.

Rosen Gonzalez asked Carpenter to meet her at Roasters ‘N Toasters deli in Miami Beach “under the pretense” of discussing flooding infrastructure, according to a copy of the complaint obtained by the Miami Herald. Carpenter brought Coley with him. During the meeting, the complaint alleges, Rosen Gonzalez invited Emmanuel Pacin, the president and CEO of marine contractor Pac Comm Inc., to join their table.

Pac Comm has had a contract with Miami Beach since 2016 to perform work on the city’s seawalls as needed, according to city records, but hasn’t yet been hired for any city jobs. Rosen Gonzalez asked city staff why Miami Beach isn’t using a type of seawall construction material that Pac Comm uses, according to the complaint, and why the city isn’t doing business with the company.

The former commissioner also asked the city staff why Miami Beach hadn’t paid outstanding invoices to two companies, Ric-Man and David Mancini & Sons, the complaint says.

When contacted by the Herald, Coley confirmed that Rosen Gonzalez introduced the city staff to Pacin and said that she made a comment about Pacin’s business “having a superior product.” He said Pacin also gave him marketing materials.

“I’m not exactly sure about the wording,” Coley said, “whether she asked me if I thought his products were superior or she thought his products were superior, but something about his products being superior and she thought we should consider them.”

Coley also confirmed that Rosen Gonzalez asked about work David Mancini & Sons and Ric-Man had done for the city.

Rosen Gonzalez, who is running for another term on the City Commission, requested the meeting with Carpenter on March 29 — the same day she received a \$1,000 donation from Pacin’s 18-year-old son, contribution records show, and a week after receiving a \$1,000 donation registered in the name of Pacin’s 4-year-old son, Emmanuel N. Pacin Jr. A \$1,000 donation is the maximum contribution from an individual allowed under state law.

Pacin first told the Herald that he had not donated to Rosen Gonzalez, but “recommended” that his children do so. He later said that he made the first donation and that the middle initial — which made the donation appear to come from his 4-year-old son — was a typo.

Both the meeting and the campaign contribution from Pacin raise legal questions. Former city officials are prohibited from engaging in any activity that could be considered lobbying for two years after they leave office. City vendors are banned from making donations to commission candidates, although their family members are allowed to do so.

Rosen Gonzalez resigned from the City Commission last year in order to run for Congress after changes to the state’s resign-to-run law forced her to choose between her city post and a congressional bid. She [submitted her resignation last April](#), but didn’t have to step down until Jan. 3.

While she was running for Congress, Rosen Gonzalez accepted campaign contributions from David Mancini, president of David Mancini & Sons, and Paul Jankowski, vice president of Ric-Man, records show. She also took contributions from other lobbyists, developers and businesses with Miami Beach contracts, [as previously reported by the Herald](#). Although these donors are prohibited from contributing to commission campaigns, they are not barred from contributing to congressional races.

Mancini did not respond to a request for comment. Jankowski said in an email that Ric-Man did not ask Rosen Gonzalez “to inquire about our jobs with the city.”

‘I LIED ABOUT IT BECAUSE I GOT NERVOUS’

Rosen Gonzalez initially told the Herald that she did not know Pacin was going to be at Roasters ‘N Toasters on April 3 or tell him about the meeting, but had spotted him at the restaurant and “motioned him over.” Pacin also denied knowing about the meeting ahead of time and said he happened to be there eating breakfast.

In a subsequent interview, however, Rosen Gonzalez admitted that she had told Pacin about the meeting ahead of time after hearing his complaints about the city’s bidding process, but she said she “hadn’t really invited him to the meeting.” She denied advocating for the seawall construction product Pacin’s company uses.

“I didn’t think of this as lobbying because number one, there’s nothing on the table, I’m not voting on anything,” she said. “I wanted [city staff] to understand the narrative that he had told me.”

Pacin denied that he had asked Rosen Gonzalez to lobby for him. He said the gist of his conversation with city staff during the meeting was “I would love to work for you guys.” He said he told them that he had been the second-lowest bidder for work on the city’s seawalls, but hadn’t yet been given city jobs.

Rosen Gonzalez said she had previously “lied” to a reporter about the meeting “because I got nervous.” She said she thought the ethics complaint had been filed against her because she was asking tough questions about the city’s bidding process.

While the assistant city manager and public works director don’t oversee the bidding process for contracts, which is handled by the procurement department, they do oversee the city’s resiliency infrastructure, including seawalls. They also advise the city manager on infrastructure projects.

In requesting a meeting with Carpenter, according to e-mails and text messages obtained through a public records request, Rosen Gonzalez said she wanted to “catch up on some city issues” and get an update on the city’s plans to address sea level rise.

Coley and Carpenter said that while they didn’t know they were going to be introduced to Pacin during the meeting, they did not have any concerns about the discussion. Carpenter said that hearing the perspective of a contractor who hasn’t had a good experience with the city was helpful.

“We got into a good conversation in my perspective on seeing things from a contractor’s point of view as to what we could do differently or better to get a bigger participation on these public bids,” he said.

Coley said he was not concerned at the time that the meeting could be seen as lobbying, but realized later that it might be.

“At the time it just never occurred to me that it might be lobbying when we were sitting there chatting,” he said. “It had to be brought to my attention to realize that it might be lobbying.”

LEGAL QUESTIONS

It’s unclear who filed the ethics complaint against Rosen Gonzalez. The copy obtained by the Herald does not include the cover sheet with the complainant’s name.

Complaints are exempt from public records requests until the Miami-Dade Commission on Ethics and Public Trust finishes its investigation. Jose Arrojo, the commission’s executive director, said he could not confirm or deny the existence of a complaint against Rosen Gonzalez.

Under Miami-Dade County’s ethics code, former city officials are prohibited from lobbying for two years after they leave office.

The ethics rule, which is designed to keep former officials from using their contacts for personal gain or to benefit businesses, prohibits former officials from arranging or participating in meetings or negotiations with city staff “with the purpose or intent to influence that official, staff or employee to take any type of official action or decision.” The rule applies regardless of whether that decision will be made by elected officials or city personnel.

It’s unclear whether the county rule would apply if the former official wasn’t paid to lobby, however. It’s also unclear whether campaign contributions would be considered payment. Miami Beach’s legal definition of a lobbyist includes people who are paid and unpaid if they are trying to influence any action, decision or recommendation by city personnel that “foreseeably will be heard or reviewed by the city commission, or a city board or committee.”

Miami Beach laws also prohibit vendors who do business with the city from donating to commission candidates. Pac Comm wasn’t listed on the city’s prohibited vendors list, which Rosen Gonzalez said she checked before accepting the donations. A city spokeswoman said that Pac Comm should have been on the list because the company meets the city’s definition of a prohibited vendor.

The ban on contributions applies to both companies who do business with the city and their owners, but not to the owners’ family members.

Rosen Gonzalez said that Pacin gave her both checks when she “stopped by his office to see his operation” a few weeks ago. She said she didn’t know Pacin had a contract with the city. Pac

Comm's contract with Miami Beach is valid through February 2020, according to a city spokeswoman.

Miami Beach's prohibition on campaign contributions from vendors appears to apply regardless of whether a vendor has done work for the city. The city's legal definition of vendor includes companies that have been selected by the city as contractors and that have "been approved by the city on a present or pending award for goods, equipment or services."

Rosen Gonzalez said Wednesday that she had returned the checks to the Pacin family after she was contacted by the Herald about the campaign contributions.

Arrojo declined to comment on the allegations against Rosen Gonzalez. In response to general questions about the county's lobbying rules, he said that former officials are "cautioned to avoid participating in negotiations or other discussions directly with city officers or staff because these actions may be characterized as seeking to influence elected officers and/or city employees to take an official action or make an official decision." He noted, however, that "any potential enforcement action" against a former official or employee "would require an in-depth review of credible evidence" by ethics investigators.

This isn't the first time an ethics complaint has been filed against Rosen Gonzalez. She was also the subject of a [2017 complaint](#) alleging that she used her official position to intervene in the police investigation of a political supporter. The county ethics commission scolded Rosen Gonzalez for a "lapse in judgment," but [ultimately cleared her in the probe](#).

[Houston nixes Austin lobbying firm over cable fee bill](#)

The city of Houston has ended its relationship with a well-known lobbying firm in Austin after learning that it also represents cable and telecommunications companies pushing the Texas Legislature to eliminate millions of dollars in fees they pay to cities for using their right of way.

The decision to stop using HillCo Partners to lobby on Houston's behalf comes amid Mayor Sylvester Turner's increasingly vocal calls for state lawmakers to reject [a bill that would limit the fees](#) companies pay cities to lay cable and telephone lines.

HillCo lobbyists represent the Texas Cable Association and Charter Communications, Texas Ethics Commission records show.

Turner has [asked Houston residents](#) to lobby lawmakers against the bill, warning the city would lose \$17 million to \$27 million in annual revenue if the bill becomes law. Asked whether the city has stopped using HillCo's lobbying services over the apparent conflict, a mayoral spokesperson responded, "Yes."

Bill Miller, a HillCo principal and the firm's co-founder, declined comment earlier this week.

Texas Ethics Commission filings show HillCo represented the city through April 1.

"HillCo partners is no longer representing the City of Houston during this session," Bill Kelly, Houston's government relations director, said in a statement. "The accomplishments between Houston and HillCo included landmark pension reform that has become a national model. Houston looks forward to continuing to work on issues at the Texas Legislature during this session."

Texas cities commonly hire lobbying firms to advance their interests and defend against legislation they view as unfavorable. For the 86th legislative session, which ends May 27, the city hired HillCo on a contract worth as much as \$662,000.

Turner spokeswoman Mary Benton said the city will continue to contract with other lobbyists. City employees from various departments also will continue to help the four-person government relations team as subject matter experts.

The bill — Senate Bill 1152 — has drawn intense criticism from Turner and the leaders of other cities, who say it would cut into general fund revenues used to fund public safety and many other day-to-day operations. They also note that the bill does not compel companies to pass savings on to customers.

The bill's proponents, including its author, Republican state Sen. Kelly Hancock, say the legislation would eliminate what amounts to a double tax on companies who pay cable franchise fees and right-of-way access line fees, despite cable and phone services being transmitted over the same lines. The bill would eliminate the lesser of the two charges.

San Antonio officials also oppose the bill, though the city has not hired any lobbyists who also represent cable companies, Government and Public Affairs Director Jeff Coyle said.

Meanwhile, Hancock's home city, North Richland Hills, is among HillCo's clients who appear to still be using the firm's lobbying services.

Such conflicts are not uncommon among large lobbying firms that may represent dozens of companies and industries, in addition to local governments.

During the last couple legislative sessions, the [debate has escalated](#) over the use of tax dollars for lobbying in Austin, with state Rep. Mayes Middleton, R-Wallisville, introducing [a bill](#) this session that would bar local entities from spending public money "to directly or indirectly influence or attempt to influence the outcome of any legislation pending before the legislature."

Benton declined to say whether the mayor, who represented Houston for 27 years in the Texas House, planned to become more personally active in Austin now that the city has cut ties with its primary lobbying firm. The mayor recently has shown signs that he is willing to use his connections in the Legislature, as he did in 2017 to push through a massive pension reform package. HillCo also represented the city during that session.

On Wednesday, Turner declined to hold his post-city council news conference to travel to Austin on undisclosed business, and he penned [an op-ed](#) in the Chronicle Tuesday laying out his opposition to proposed property tax reform that would require cities, counties and other local entities to gain voter approval before increasing property tax revenues more than 2.5 percent above the prior year.

"Turner has been a salesperson for the city in the Legislature, there's no question," said Brandon Rottinghaus, a political science professor at the University of Houston. "The fact that he was part of the body and has relationships with so many members across the aisle, that gives him credibility."

[As session's end looms, North Dakota lawmakers look to wrap up ethics bills](#)

Senate Majority Leader Rich Wardner, R-Dickinson, says a salad from a lobbyist won't ever influence him.

"Nor a steak," the longtime legislator said.

House and Senate ethics committees are nearing the end of work on two bills in the session's final days to implement provisions of Article XIV of North Dakota's Constitution, brought by a 54 percent majority of votes on Measure 1 in 2018.

The initiated constitutional amendment includes provisions restricting lobbyists, prohibiting gifts and establishes an ethics commission, generally aimed at accountability of state elected officials and legislators.

Sen. David Hogue, R-Minot, chairman of the Senate Ethics Committee, said the committee continues to propose and consider amendments on the House ethics bill, which may reach the Senate floor for a vote this week.

And Rep. Jim Kasper, R-Fargo, who leads the House Ethics Committee, said his committee will next meet on Thursday with a better idea than of the Senate's actions.

Laying groundwork

Hogue said discussion around the ethics bills has involved civil and criminal sanctions, definitions, intent, funding and what degree of autonomy to allow for the five-member ethics commission to be unanimously named by the governor and Senate majority and minority leaders.

"We think the commission should have more autonomy," Hogue said. "We think they should be able to hire their own attorney, lease their own office space, do their own investigations."

Kasper said he anticipates some compromise for the final product, but also said he would have liked Measure 1's backers to have testified before his committee.

"We'd like to ask them questions but they haven't had the courage to be in front of our committee," Kasper said.

Ellen Chaffee, the Democrat co-chair of North Dakotans for Public Integrity behind Measure 1, said she hasn't been able to attend all the hearings, but "I trust the process."

"It's something I care about, but I'm just a citizen at this point," Chaffee said.

She said she continues to prefer the Senate bill over the House bill, hoping for an outcome consistent with the Constitution.

"Our main goals are nothing unconstitutional and a well-positioned ethics commission to fulfill its responsibilities," Chaffee said.

The Senate bill's proposed two-year funding for an ethics commission – about \$517,000 – is "an absolute bare minimum" but "enough to get started," according to Chaffee.

Measure 1 backers' research found \$1.5 million per year would be a "reasonable yet prudent budget," she added.

"If more is needed, there'll be a case for it and there'll process for it and it'll go forward," Chaffee said.

Uncertainty

Though the gift prohibition is not effective until Jan. 5, 2021, lawmakers agree there is "a fog" or perceived ambiguity over what's acceptable, as the ethics commission's rules and penalties have yet to be made. The ethics commission will adopt its own rules, with public input.

"I think everybody is doing their best to try to live up to what is now part of our state Constitution," said Geoff Simon, a lobbyist who represents the Western Dakota Energy

Association and led the opposition to Measure 1 in 2018, criticizing it as vague and potentially problematic.

Wardner said he's sensed about a 60 percent decrease this session in lobbyist meals due to "uncertainty" over Measure 1's mandates.

"I would say the lobbyists have really backed off," he said.

Hogue said he has his own boundary on influence perceived as undue.

"If lobbyists want to take us out to dinner the night before a bill is voted on, that's where I draw the line," he said. "Because not only are you getting the meal, there is a significant appearance of impropriety of 'Why are they taking me out tonight?'"

Simon said lobbyists should be able to interact and hobnob with lawmakers. Measure 1's passage has chilled those interactions, he said.

"Frankly, these legislative receptions and social functions and other opportunities – these are wonderful opportunities to get to know people on a personal level," said Simon, who has attended and observed the ethics committee meetings.

Endgame

Wardner and House Majority Leader Chet Pollert, R-Carrington, each said they don't expect the ethics bills to prolong the session, which they'd like to wrap at 75 of 80 allotted days. Monday is day 67.

Pollert said he expects a melding of both bills, but added he doesn't expect the Measure 1 backers to like the final product, "no matter what we do."

"We've got to strike a balance in there and take it from there and that's what we're trying to do," Pollert said.

Kasper said he hasn't seen breaches of ethics among fellow legislators, but nevertheless is working to accommodate Measure 1's mandates.

"The fact of the matter is, I've been here 18 years. I haven't seen ethical concerns with any of my colleagues for the whole 18 years," said Kasper, who has been criticized for trips he took in 2005 to Montreal, Las Vegas and Antigua. Kasper maintains the trips were not improper and were invitations to share information about legislation.

Hogue said he expects compromise in the days ahead, though the bills are complex and unlike usual legislation.

"It's not about a little appropriation sitting over here or some other policy," he said. "It's top of mind for all elected public officials, of which there are 160 or so."

[Oregon District Attorney's Association Email Raises Ethics Questions In Salem](#)

An Oregon Department of Justice employee used an agency email and agency time to send a memo lobbying against a [criminal justice reform bill](#) senators will consider this week.

That email, sent by a state Justice Department employee on behalf of the Oregon District Attorney's Association kill the bill, made waves in Salem April 15.

State Sen. Brian Boquist (R-Dallas) says the message likely violates Oregon ethics laws and the state's district attorneys should have known better than to ask a state employee to lobby on their behalf.

“If the lawyers who are supposed to enforce the laws aren’t obeying the laws themselves,” Boquist says, “then there’s no credibility to the district attorneys themselves or to justice.”

The memo voiced opposition to Senate Bill 1008, a package of reforms to the juvenile justice system that would walk back mandatory minimum sentencing requirements established in Measure 11. ODAA argues that changes to Measure 11 should be made through a ballot measure referred to voters, since that is how the law was originally passed.

That stance is in direct conflict with the [Attorney General Ellen Rosenblum's public stance on the bill](#). Rosenblum has thrown her support behind the reforms. (Disclosure: Rosenblum is married to the co-owner of *WW*'s parent company.)

"The time has come for us to engage in a deep and critical reflection on the fairness of our juvenile justice system," Rosenblum testified at a bill hearing last month.

Boquist says the email, sent from a DOJ address, raises concerns that the ODAA intended to confuse legislators about whether the bill had the backing of the attorney general.

Michelle Long, the Justice Department employee who sent the email, is the DA Resource Coordinator for the DOJ. She works closely with the state's 36 district attorneys. She did not immediately return a request for comment.

The Justice Department quickly distanced themselves from Long's email.

"[Long] does not advocate on behalf of positions taken by ODAA," a DOJ spokeswoman says.

In an email sent to lawmakers by deputy attorney general Fred Boss, the DOJ acknowledged that the message was a mistake and assured state senators that similar lobbying messages would not be sent by state employees at the agency.

"Earlier today our DA Resource Coordinator sent you an e-mail on behalf of the Oregon District Attorneys Association at their request," Boss wrote. "I apologize – DOJ did not authorize the use of e-mail or work time to send the message. Please be assured we are addressing the issue and it will not happen again."

Boquist says the message may have violated Oregon ethics laws that restrict public employees from using government resources to lobby the legislature.

"The use of public funds to lobby for the passage of a measure remains a violation of the law," he said in an email. "We should all hope lawyers would at least try to follow the laws of Oregon."

UPDATE: The Oregon District Attorney's Association says it did not intend to confuse legislators about the DOJ's position on the bill.

"There was absolutely no strategy to put DOJ in a bad light here," says ODAA executive director Tim Colahan. "The attachment clearly stated it was from the District Attorneys. We needed to get an email out and the ODAA Resource Coordinator did so. This is a symptom of not having a lobbyist."

ODAA lost its lobbyist last month after a former top prosecutor [penned an op-ed that offended many legislators](#).

Colahan also says it was not improper for Long to send the email.

"We also question whether what was done was improper," he says in an email. "The Secretary of State's 'Restrictions on Political Campaigning by Public Officials – ORS 260.432' manual, on page 9, states: 'Legislative bills are not covered by ORS 260.432. Therefore it is allowable, under

election law, for public employees to lobby governing bodies. Once a referral has been certified to the ballot, political advocacy is restricted by ORS 260.432.' SB 1008 is a legislative bill."

Lawmakers pass bill saying economic developers are not lobbyists

A bill exempting economic developers from a requirement to register as lobbyists under the Alabama ethics law won final passage today in the Legislature and could be signed into law by Gov. Kay Ivey.

Lawmakers and the state's industrial recruiters say the bill was needed to protect the confidentiality of site selection efforts by representatives of companies interested in coming to Alabama. Lobbyists are required to report to the Ethics Commission who they represent and information about their activities, reports that are available to the public.

The Legislature passed the exemption last year but with opposition from some who contended it would carve a loophole in the ethics law. The bill squeaked through the Senate last year by a vote of 15-14 after senators added a provision that the exemption would expire April 1 of this year.

Opposition to the exemption has melted away. The Senate voted 31-0 in favor of the bill by Rep. Alan Baker, R-Brewton, to make the exemption permanent. The House had passed it by a vote of 94-4 on April 4.

Baker's bill says an economic development professional is not a lobbyist unless he or she seeks economic incentives from the Legislature in addition to what are already provided by state law. Economic development professionals can work for businesses, chambers of commerce, cities, counties, or other organizations.

Before today's vote, discussion on the Senate floor turned to a broader ethics bill, by Sen. Greg Albritton, R-Atmore, that stalled in the Senate Judiciary Committee last week.

At least three senators, Albritton, Senate President Pro Tem Del Marsh, R-Anniston and Senate Minority Leader Bobby Singleton, D-Greensboro, expressed support for Albritton's bill today.

Ethics Commission Executive Director Tom Albritton and Attorney General Steve Marshall oppose Albritton's bill, which would repeal the prohibition on gifts from lobbyists to legislators while requiring such gifts to be reported.

Supporters of Albritton's bill have said it's an effort to clarify the ethics law, not weaken it.

"I'm just here to tell you and I've said it before, these people aren't here for free dinners," Marsh said today when asked about repealing the ban on gifts. "And I do not see if someone has a dinner how that affects any voting pattern. I can promise you that.

"Nobody wants unlimited to anything. And I think even the senator (Albritton) has acknowledged that he would put parameters on that. That's not the core of his bill.

"The more core of his bill is dividing the lanes at which what is a felony and what is not. Who has jurisdiction over different issues in the ethics law. That's where he's trying to get to. And it's a process."

Marsh said Albritton's bill might need amendments but said the intent is valid.

"We all agree it is unclear in many areas of the ethics law and we need to deal with that," Marsh said.

The Alabama Court of Criminal Appeals in an opinion last year said the Legislature should clarify the definition of principal in the ethics law. A principal is a business or person who

employs a lobbyist. The court said the law should be clarified on which employees of a business that hires a lobbyist are considered principals.

Senate Judiciary Committee Chairman Cam Ward, R-Alabaster, did not allow a vote on Albritton's bill during last week's meeting and said he did not see it emerging from the committee this session. Ward said there were many questions about the bill, which he called controversial.

[BURGER KING'S VEGAN PATTY IS SO REALISTIC IT FOOLED A MEAT LOBBYIST](#)

[Burger King's](#) vegan Whopper is so realistic, it won over a meat lobbyist.

The fast-food restaurant chain added a **[vegan Whopper](#)** to its menu at the start of this month. The burger was created in collaboration with startup company **[Impossible Foods](#)**, which makes its Impossible Burger out of wheat and potato protein, coconut oil, heme, and some binders. The end result is a **[plant-based patty](#)** that matches **[beef](#)** in terms of appearance and taste, contains 21 grams of protein, no cholesterol, and is vastly better for the environment.

The vegan meat has proved popular at Burger King so far, with those who have tried it saying, *"It's just like a Whopper."*

Now, the Impossible Burger 2.0 — similar to the original Impossible Burger but with a better ability to withstand restaurant cooking environments — has been put to the ultimate test, and received a *"glowing review,"* according to **[The Guardian](#)**.

Eric Bohl, the Director of Public Affairs & Advocacy for **[Missouri Farm Bureau](#)**, the state's largest farm organization, headed to Burger King to try the plant-based patty.

Bohl, who The Guardian names as a *"senior meat industry lobbyist,"* purchased an Impossible Whopper and a conventional, meat-based Whopper. *"To the naked eye, the burgers looked essentially identical. When cutting them each in half with a plastic knife, the beef burger seemed a bit more substantial and difficult to cut,"* Bohl wrote online.

The difference in taste between the two burgers was "small," according to Bohl. *"If I didn't know what I was eating, I would have no idea it was not **[beef](#)**,"* he admitted.

He goes on to reiterate the threat that vegan products pose to the meat industry. *"If farmers and ranchers think we can mock and dismiss these products as a passing fad, we're kidding ourselves,"* he said. *"This is not just another disgusting **[tofu](#)** burger that only a dedicated hippie could convince himself to eat. It's 95 percent of the way there, and the recipe is likely to only get better."*

"Farmers and ranchers need to take notice and get ready to compete. I've tasted it with my own mouth, and this fake meat is ready for prime time," Bohl stated.

In a **[follow-up post](#)**, Bohl named the wave of **[meat-free burgers](#)** a *"wake-up call"* and an *"intense challenge to our industry."*

[Legislature Notebook: Sabatini ethics bill gets vote this week](#)

Just two weeks remain in Florida's 2019 legislative session.

Here's a look at what our local legislators did in week five.

An ethics reform bill by Florida Rep. Anthony Sabatini, R-Howey-in-the-Hills, should get a vote this week.

Among this multifaceted bill's proposals: It would remove unenforced lobbying restrictions on state employees, prohibit elected officials from getting investment advice from lobbyists and would require elected officials to disclose information about new jobs under certain circumstances. There's a similar Senate bill, sponsored by Sen. Dennis Baxley, R-Ocala.

That bill has not gotten through the committee process.

Sabatini's big booze bill made it out of its final committee last week.

The bill, which is aimed to deregulate some aspects of the craft alcohol industry, has been placed on the second reading calendar, which is one step away from debate and potential vote on the House of Representatives floor.

If passed, the bill would increase craft distillers' production limits, allow breweries to have dogs on premises, eliminate wine bottle and container limitations and allow cider to be sold in growlers, among other things. It doesn't have a twin in the Senate.

Another measure that both Sabatini and Baxley have been pushing made a move last week in the Senate. Baxley's bill that, if passed, would get school board term limits on the 2020 ballot, is scheduled for its final committee hearing this week.

If both the House and Senate approve this joint resolution with three-fifths votes, it gets on the ballot. This kind of legislation doesn't require gubernatorial approval.

If it does end up on the ballot, 60 percent of voters will need to approve it. Then school board members would be limited to serving eight consecutive years. The House version had already made it through its committees.

[More on the Missouri angle in public corruption probe](#)

We [mentioned here Thursday](#) that **Missouri officials** were players in the public corruption indictment naming former **Arkansas Sen. Jeremy Hutchinson** and two top former officials of **Preferred Family Healthcare**, the Springfield, Mo.-based nonprofit at the center of the investigation. [Here's an Associated Press report](#) from Missouri looking more closely at the Show Me State angle.

Three former Republican lawmakers — all now in other public jobs, including one who's a Public Service commissioner — confirmed to the AP that they had benefitted from campaign contributions from people associated with PFH and its predecessor. They say they didn't know the money might have come illegally from nonprofit funds. They have not been accused of being bribed in return for legislative help, as has been alleged (and in some cases admitted) in Arkansas. Still, when you lie down with dogs like lobbyist **Rusty Cranford**, you might find yourself itching.

There's also this in the report:

The 32-count indictment in the Western District of Missouri for conspiracy, theft of federal funds, bribery, fraud and filing false returns was unsealed this week. It contains a reference to lobbying payments illegally taken from federal funds that went to TreecePhilips, the lobbying firm owned by Columbia Mayor Brian Treece and his wife, Mary Philips. The indictment charges the Gosses with being responsible for payments to TreecePhilips, referenced as "Lobbying Firm D," that totaled "more than \$500,000 from July 2013 until September 2017."

Neither Treece nor Philips have been charged in the case.

As they say, the investigation is ongoing. Known recipients of PFH favors over the years in Arkansas had reason to be nervous last week, even if not mentioned by name in Hutchinson's latest indictment. It's apparent many are cooperating in the probe. Getting charged with crimes can encourage that. Winning the race to the courthouse can be beneficial. See former **Rep. Micah Neal**, who got home detention for pleading guilty to taking bribes, and former **Sen. Jon Woods**, facing 18 years in federal lockup after conviction at trial.

This nonprofit once operated in five states.

Crimes aside, the loose cash thrown off through Medicaid contracts enjoyed by this putative nonprofit was enormous.

[An upstate New York industry on the rise: Lobbying at the state Capitol](#)

One industry continues to grow faster than most others in upstate New York: lobbying.

The industry spent a record \$261 million across New York last year, according to [a report released Thursday by the state Joint Commission on Public Ethics](#), which monitors lobbying in New York.

That's \$21 million more than in 2017, an 8% increase.

The number of lobbyists working in the state also ballooned to record levels last year, reaching more than 7,700 — an increase of nearly 1,000 from the year before.

And groups spent more than \$15 million on advertising in 2018, up 133% from 2017.

Labor and healthcare groups were among the highest spenders in 2018, but Uber, the popular ride-share app, spent the most: nearly \$6 million, mainly on ads, after it got [approval in 2017 to operate statewide](#) and fought further regulations in New York City.

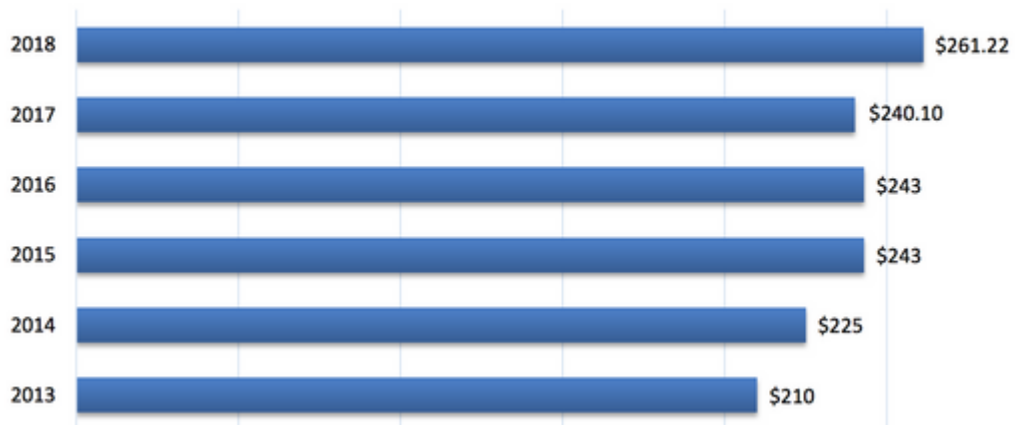
Lobbying has been a growing industry in the state, with expenditures steadily increasing every year for the last decade. The state data includes spending on state government and on the local level, including in the city.

The big money spent to influence state policy continues to draw criticism among good-government groups.

"What helps fuel the increase in spending is the fact that so much of what Albany does is in secret," Blair Horner, a registered lobbyist and executive director of the New York Public Interest Research Group, said.

"For people who are outside the system, they feel like they have to spend big bucks for well-connected lobbyists or expensive PR campaigns."

Lobbying Spending



Lobbying spending in New York hit a new record in 2018. (Photo: New York state Joint Commission on Public Ethics)

Special interest groups have [long spent millions each year](#) to advance an agenda or change public perception through expensive ad campaigns.

But the amount of money spent on lobbying has been steadily growing over the last decade.

Interest groups paid over \$234 million to retain full-time lobbyists last year. That's \$13 million more than in 2017 and the most in over a decade.

"There's nothing that can be done about it, if interest groups want to spend big bucks to influence government, they have every constitutional right to do so," Horner said.

Over 5,300 lobbyist registrations were filed in 2018, and 7,790 individuals acted as lobbyists, according to the report.

The healthcare industry was the most active, representing 19% of the registered lobbyists in the state.

Real estate and construction industry accounted for just under 16% of registered lobbyists, according to the report.

Lobbying Entities Ranked by Total Lobbying Expenditures

2018	
UBER TECHNOLOGIES, INC. AND AFFILIATES	\$5,989,966
1199 SEIU LABOR MANAGEMENT INITIATIVES, INC., HEALTHCARE EDUCATION PROJECT (FKA 1199/SEIU & GNYHA)	\$3,736,401
GREATER NEW YORK HOSPITAL ASSOCIATION, INC.	\$3,680,476
LABORERS-EMPLOYERS COOPERATION AND EDUCATION TRUST (NYS)	\$2,186,536
NURSES ASSOCIATION (NYS)	\$1,558,691
TRIAL LAWYERS ASSOCIATION (NYS)	\$1,418,893
UNITED FEDERATION OF TEACHERS	\$1,303,679
UNITED TEACHERS (NYS)	\$1,299,082
AARP	\$1,148,647
HEALTHCARE ASSOCIATION OF NEW YORK STATE	\$1,124,074

Based on figures reported in 2018 Client Semi-Annual and Lobbyist Bi-Monthly Reports as of March 22, 2019

Here is who spent the most on lobbying in New York in 2018. (Photo: New York state Join Commission on Public Ethics)

Uber was the most active group in New York last year, spending \$5.9 million, most of which went towards advertising.

The company also spent \$809,430 to retain full-time lobbyists as it pushed back against calls for further regulations in New York City. The City Council ultimately put a cap on Uber vehicles and other ride-sharing services.

But most of the state's top spenders were healthcare groups and unions, including 1199 SIEU, a nurses union, and the state's Hospital Association.

Each group spent \$3.7 and \$3.6 million on lobbying last year, respectively.

And the Hospital Association paid just over \$845,000 for full-time lobbyists.

The state's teachers union, a perennial spender on lobbying, spent \$1.2 million last year, while AARP spent just over \$1.1 million.

Charter Communications, which has been wrangled in an [ongoing legal battle with the state](#) for the past year, also paid out \$926,850 to professional lobbyists in 2018.

**Professional Lobbyists Ranked by Total Compensation
and Reimbursed Expenses**

2018	
KASIRER LLC (FKA KASIRER CONSULTING LLC)	\$12,847,463
BROWN & WEINRAUB, PLLC	\$12,156,810
BOLTON ST. JOHNS, LLC	\$9,660,170
GREENBERG TRAUIG, LLP	\$9,503,506
HINMAN STRAUB ADVISORS LLC	\$6,509,072
CAPALINO, JAMES F. & ASSOCIATES, INC.	\$6,414,071
OSTROFF ASSOCIATES, INC.	\$6,379,158
PARK STRATEGIES, LLC	\$5,117,234
PITTA BISHOP & DEL GIORNO LLC (FKA PITTA BISHOP DEL GIORNO & GIBLIN LLC)	\$4,880,009
MERCURY PUBLIC AFFAIRS, LLC (FKA MERCURY, IGR)	\$4,618,058

Based on figures reported in 2018 Lobbyist Bi-Monthly Reports as of March 22, 2019

Here's a look at the top lobbying firms in New York in 2018. *(Photo: New York state Joint Commission on Public Ethics)*

Gov. Andrew Cuomo vowed to [have a robust set of reforms](#) to New York's lobbying laws after a series of corruption scandals, including ones involving his former aides, rocked the state Capitol in recent years.

Earlier this year, the Legislature passed several of Cuomo's proposals that included new voting reforms and closing a loophole that let limited-liability companies donate a limitless amount to political campaigns.

But Cuomo and legislative leaders [failed to reach agreement](#) on new lobbying laws as part of the state budget April 1 that Cuomo proposed aimed at minimizing outside influences on state policy.

Among the changes proposed would be to ban lobbyists from also acting as political consultants and require any lobbyists to make any campaign contributions more transparent.

The state did establish a new panel to look at how to establish a system of public financing of campaigns, but the lobbying reforms are expected to be revisited before the legislative session ends in June.

Republicans in recent days have criticized the lack of action on ethics in the budget.

"Albany's track record of corruption and its unbelievable lack of ethics reform have reduced it to a national laughingstock," Assembly Minority Leader Brian Kolb, R-Canandaigua, Ontario County, said April 9.

Ethics opinion restricts Jacksonville City Council members' lobbying for two years

The Florida Commission on Ethics issued an advisory opinion Friday that says Jacksonville City Council members who take jobs in the executive branch of city government cannot “represent” those departments before the council for a two-year period after leaving council.

The advisory opinion could affect the future career paths of current City Council members who are term-limited and will serve their last day on council on June 30.

For instance, City Council member Lori Boyer has expressed interest in being the next CEO of the Downtown Investment Authority after her council term ends. The head of the DIA regularly interacts with City Council members so the state advisory opinion would have a direct bearing on that aspect of the job.

General Counsel Jason Gabriel, who presented the city’s legal analysis to the state ethics commission during its meeting in Tallahassee, said the request for an advisory opinion isn’t an adversarial process so the city won’t be taking any further action.

“They took their position and that’s completely fine, and that’s what the city will live with because the process was exactly what it should have been,” he said.

He said the city sought the advisory opinion to prevent future issues from cropping up.

In addition to Boyer, council members Greg Anderson and Bill Gulliford also have expressed an interest in joining the executive branch, which triggered the request for an advisory opinion from the Florida Commission on Ethics.

That two-year prohibition is in state law and is aimed at preventing a “revolving door” where office-holders go into the private sector and turn around to lobby the same entity where they previously served. It also has applied to cases such as a state lawmaker who became president of a community college and could not act as the college’s representative for two years before the state Legislature.

The request by the city of Jacksonville broke new ground because it would involve a council member going from an elected position over to a staff position in the same government.

City lawyers argued in their analysis that concerns about conflicts of interest and “special private gain” don’t apply in such career moves, particularly in a consolidated form of government like Jacksonville.

But the commission decided the prohibition should apply because having a City Council member represent an executive branch department would give that department “undue influence” over the council.

The advisory opinion says the commission “could easily foresee a former City Council member employed by the executive branch, within two years of leaving office, seeking to capitalize on their influence, expertise and contacts in legislative matters gained through their public service thereby giving them a competitive advantage in the procurement of public resources on behalf of their respective department.”

The opinion says the two-year prohibition applies to City Council members leaving office and then representing departments of the executive branch before City Council, as well as before the mayor and the “immediate support staff” of the City Council and the mayor.

The Downtown Investment Authority is in the midst of a national search for a permanent CEO. After Aundra Wallace resigned last year, the DIA board made Brian Hughes, chief of staff for Mayor Lenny Curry, the interim CEO until a permanent replacement is selected.

The head of the DIA actively represents the agency by appearing before City Council to speak on behalf of budget matters, legislation, and financial incentives for downtown development projects.

Under the advisory opinion issued Friday on a unanimous vote, a City Council member who became CEO of the Downtown Investment Authority could not act as the DIA's representative in such interactions with City Council for a two-year period.

The city's request for an advisory opinion identified the Downtown Investment Authority "as a good illustration of a typical executive administration board" that is part of Jacksonville's consolidated form of government.

[Task force questions whether illegal lobbying influenced how billions in N.J. tax incentives was spent](#)

A special task force [investigating New Jersey's troubled Economic Development Authority](#) says it uncovered evidence of "unregistered lobbying" in connection with the state's tax incentive program and has referred the matter to law enforcement.

A spokesman for the task force would not provide any details on the nature of the alleged offense, who was being investigated, or where the matter had been referred to for criminal investigation. The task force's special counsel said only that unregistered lobbying had "materially affected the legislation and regulations governing New Jersey's tax incentives granted to businesses."

Attorney Jim Walden, who serves as special counsel to the task force, outlined the evidence of those potential criminal violations in a referral letter which was sent on Thursday.

How those state EDA grants are awarded, and the regulations governing eligibility, can mean significant financial benefits to companies that qualify for those tax credits. The EDA program has given out tax credit incentives worth \$11 billion since its inception.

Meanwhile, one unnamed company that was the beneficiary of an EDA incentive grant has voluntarily come forward to admit it was not in compliance with program requirements, and agreed to repay the payments it has received, saving taxpayers \$1.5 million, officials disclosed.

The task force was formed by Gov. [Phil Murphy](#) in the wake of [an audit by the state comptroller in January](#), which sharply criticized the EDA's oversight of the state's economic incentive program that offers lucrative tax credits to lure businesses to New Jersey, encourage them to stay or expand their operations.

But in that audit, the comptroller said the EDA may have "improperly awarded, miscalculated, overstated and overpaid" tax credits to a number of unidentified companies that it could not verify had created the jobs that were promised.

It also said the agency could not evaluate whether its incentive programs generated any economic benefits to the state. In fact, the audit said the EDA certified projects and released tax credits, in violation of the law, even when projects did not meet the requirements.

The task force last month began a series of public hearings into the EDA grants, which was highlighted by the testimony of a whistleblower. She claimed that the company she had worked

for — later revealed to be Jackson Hewitt Tax Services — [had been awarded a \\$2.67 million state grant after falsely claiming it was considering a move out of the state](#) and planning to take those jobs to New York and Florida.

A 2015 lawsuit, meanwhile, revealed that political pressure was also put on the EDA by former Gov. [Chris Christie](#)'s administration to approve hundreds of millions in subsidies. In that lawsuit, another whistleblower claimed that he was ordered to change data to help companies obtain state tax breaks.

"We are going to follow the facts in a search for the truth," said Ronald Chen, chairman of the governor's EDA task force, said in a statement. "Whether that means recertifying companies, seeking voluntary payments and terminations, or making referrals, we plan to be thorough, objective and efficient."