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McClatchy DC

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Trump's NAFTA threats test Texas clout in Washington

<http://www.mcclatchydc.com/news/nation-world/national/article207967309.html>

Texas' normally powerful business interests are struggling to influence their most pressing Washington policy battle: protecting the North American Free Trade Agreement.

Renegotiating the agreement is the No. 1 concern of the state's business community, which calls NAFTA critical to the Texas economy.

But for all of Texas' clout in Washington — including the Senate's No. 2 leadership role, seven House committee chairmanships and Fortune 500 companies with strong lobbying firepower — the state's influence at the White House is limited.

President Donald Trump can make major changes to NAFTA unilaterally, and he campaigned on a promise to end the deal if it can't be renegotiated and improved.

He rattled Texas business leaders Wednesday by linking those negotiations to an immigration dispute on the southern border. Trump tweeted that NAFTA would be "in play" if Mexico did not stop a caravan of Latin American immigrants headed to the Texas border.

The threat comes as Trump's base has ratcheted up pressure on him to deliver on campaign promises, including trade deals and border security.

That's causing fresh angst among Texas business interests that count precious few options when it comes to influencing the president.

Eric Miller, a trade lobbyist working on NAFTA, said Texas' best leverage could be in its pocketbook — withholding re-election funds unless Trump reaches a deal that's favorable to the state.

Texas business leaders plan to trek to Capitol Hill this month to meet with lawmakers who can stop some changes to NAFTA and who wield power over the president's future trade negotiating authority.

Another option, touted by Jeff Moseley, CEO of the Texas Association of Business, is working with the Mexican government, which retains a close working relationship with business leaders in Texas.

Trump: 'Trade wars aren't so bad'

During a joint press conference with the Prime Minister of Sweden, President Trump reiterated his plan to implement tariffs on steel and aluminum.

“There is one person and one person only that matters, and that is President Trump,” said Moseley, who estimates that 1 million U.S. jobs are tied to the trade agreement.

“There needs to be a real concerted effort of Texas businesses showing [Trump and White House trade representatives] the value of the jobs to the U.S. economy,” he added.

Trade representatives from the U.S., Mexico and Canada have met seven times to discuss changes to NAFTA, and Moseley said an eighth round of negotiations is expected to take place.

The White House wants a framework for the renegotiation complete by the April 13-14 Summit of the Americas in Peru.

Moseley, who also leads a NAFTA-focused business group called the Texas-Mexico Trade Coalition, plans to meet with the Mexican trade officials with whom Trump is playing hardball. He’ll sit down with Mexico’s undersecretary for North America, Carlos Sada, on Thursday in Austin.

The trade coalition was formed last year with the support of the Mexican government to represent the interests of 4,000 Texas businesses. It has its own Washington lobbyists.

“We are very committed to keeping the dialogue open with our Mexican trading partners,” said Moseley. “For NAFTA 2.0 to have success, it must be a win-win for Texas as well as our trading partners in Mexico.”

The Texas business association and the Fort Worth Chamber of Commerce are taking their case to Capitol Hill. Adjustments to the trade agreement could require the Senate’s approval if they require changes to U.S. law.

“It’s important that we stay in close contact with the negotiators so that if they negotiate something, it actually has a chance of being passed by Congress,” Sen. John Cornyn said last year.

Senators also hold power over Trump’s authority to negotiate future deals if he doesn’t listen to them on NAFTA.

Cornyn, an ally of the Texas business community, chairs the Senate subcommittee on international trade. He’ll be instrumental in whether the Senate reapproves Trump’s “fast track” negotiating authority after it expires July 1.

Cornyn “is in a great position to use the renewal of [that authority] as a bargaining chip with the administration to really get some concessions in terms of what he’d like to see in a renegotiated NAFTA,” said Tim Meyer, a Vanderbilt University law professor and former State Department legal adviser.

Yet, NAFTA allies concede, the biggest challenge is persuading Trump to take their concerns into account.

Miller, the trade lobbyist, said that effort could lean heavily on Trump’s Texas supporters — many of whom are outspoken NAFTA supporters.

Texas donors gave more than \$19 million to Trump's campaign and support groups in 2016 — more than in any state except New York, California and Florida — according to Open Secrets, a nonpartisan research group. Among metro areas, Houston led the nation in contributions to Trump.

Mosley said he met with close Trump allies on trade: Vice President Mike Pence and U.S. Trade Representative Robert Lighthizer, who is leading the NAFTA renegotiation effort.

"Texas has some heft," said Miller. "There are a number of financial institutions and certainly agricultural interests that sell an awful lot of product to Mexico."

"They need to be out there reminding the administration [that] you can't count on their votes and financial contributions if they're not taking into account their fundamental interests," he added.

NY Daily News
April 4, 2018

EPA's Scott Pruitt insists he didn't know about staffer' hefty pay raises

<http://www.nydailynews.com/news/politics/pruitt-insists-didn-staffers-hefty-pay-raises-article-1.3914655>

Environmental Protection Agency head Scott Pruitt claims he had no idea two longtime staffers received hefty raises over the objections of the White House.

The embattled Trump administration official — also under fire over a sweetheart condo deal rented from the wife of a gas and oil lobbyist — told Fox News that he was unaware that the double-digit pay increases were doled out to a pair of EPA staffers who previously worked for Pruitt in Oklahoma, where he was the state attorney general.

"My staff and I found out about it yesterday and I changed it," he told Fox News.

Sarah Greenwalt, 30, was Pruitt's general counsel in Oklahoma and serves as his senior counsel at the EPA.

Millan Hupp, 26, was on his political team before she accompanied her boss to Washington to become the EPA's scheduling director.

Pruitt had reportedly asked that Greenwalt's salary be raised from \$107,435 to \$164,200, and sought a bump from \$86,460 to \$114,590 for Hupp. The Presidential Personnel Office dismissed the request, the Atlantic first reported.

A rarely-used provision in the Safe Drinking Water Act was used to circumvent the White House decision and give the two staffers raises.

Pruitt says he had no idea.

"I did not know that they got pay raises until yesterday," he said.

A longtime critic of the agency he now controls, Pruitt's tenure has been marked by repeated criticisms of his spending habits and his ties to lobbyists and industry insiders.

Pruitt has faced calls for his ouster for leasing a Capitol Hill condo from the wife of a prominent fossil fuel lobbyist for only \$50 a night.

Pruitt said it was "like an AirBnb situation."

White House press secretary Sarah Huckabee Sanders would not say Wednesday whether the President still has confidence in Pruitt.

"We're reviewing the situation," Sanders said. "When we have had the chance to have a deeper dive on it, we'll let you know the outcomes of that. But we're currently reviewing that here at the White House."

Once rumored as a possible replacement for Attorney General Jeff Sessions, Pruitt has spent hundreds of thousands of dollars of first-class flights and security.

Despite his growing list of controversies, Trump reportedly reached out to his environmental czar to offer support.

Two administration officials told the Associated Press that the President called Pruitt on Monday and told him that "we've got your back."

Pruitt has long enjoyed a close relationship with the oil and gas industries.

Since being appointed by Trump he has repeatedly raised eyebrows for meetings with various industry executives and lobbyists while the EPA was considering revising rules that regulated them.

St Louis Post-Dispatch

April 3, 2018

Voters would be asked to loosen term limits, ban lobbyist gifts under one Missouri proposal

http://www.stltoday.com/news/local/govt-and-politics/voters-would-be-asked-to-loosen-term-limits-ban-lobbyist/article_3eec1d98-5be7-54ca-a2b4-db2aa01e9e7d.html

Lobbyist gifts would be banned and legislative term limits would be altered under a proposal that won initial approval Wednesday in the Missouri Senate.

Lawmakers are currently limited to eight years of service in the House and eight years in the Senate after voters instituted term limits in 1992. Critics argue an unintended consequence of the constitutional change was a brain drain in the Legislature and a loss of collegiality.

Under a measure sponsored by Sen. Jason Holsman, D-Kansas City, lawmakers would still be limited to 16 years of total service, but they would not be limited to eight years in either chamber, allowing the legislator to stay in their preferred house for more than eight years.

"It would give the flexibility for both the candidate and the voters to decide if they want their person to stay in that chamber for the entire duration of the term limits," Holsman said on the Senate floor on Tuesday.

The measure would also ban lobbyist gifts to lawmakers — a long-debated topic which has never made it to the governor's desk.

Senators gave first-round approval to the resolution on a 20-12 vote. It needs one more vote in the upper chamber before moving to the House for consideration.

If the Legislature approves the resolution before its May adjournment, voters would still have to approve the proposed changes to the Constitution later this year for them to take effect.

The pairing drew criticism from Sen. Bob Onder, R-Lake Saint Louis, who said tying a more controversial question (term limits) to a concept likely popular with voters (banning lobbyist gifts) amounted to a "Trojan horse."

"It has something that I think everyone in the public would like and would tend to vote for, which is a lobbyist gift ban," Onder said, "and then it kind of has the Trojan horse."

Onder said the resolution reminded him of the pending Clean Missouri initiative, which, upon voter approval, would ban lobbyist gifts, institute a two-year cooling off period for lawmaker-turned-lobbyists, tighten campaign contribution limits, and amend the Sunshine Law to apply to lawmakers.

The proposal would also institute a new nonpartisan redistricting scheme, which GOP critics such as Onder say would give Democrats a more favorable map after the 2020 U.S. Census.

Backers of that initiative have until May to collect enough signatures for the measure to land on the ballot.

Under Holsman's proposal, another provision would exempt years of service prior to 2019 from the new term limits scheme. That also drew questions because of the potential for current or former members of the Legislature to serve an additional 16 years.

Holsman said the new term limits plan would be challenged in court if that provision was not included.

"Every citizen in this room, once the Constitution changes, cannot be treated differently," Holsman said, referring to the 14th Amendment to the U.S. Constitution, which provides for "equal protection of the laws."

Governing
April 4, 2018

FBI Arrests Alabama State Lawmaker, Ex-GOP Chairman

<http://www.governing.com/topics/politics/tns-jack-williams-fbi-arrested-alabama.html>

Federal prosecutors on Monday arrested and charged State Rep. Jack Williams and former Alabama Republican Party Chairman Martin Connors in a public corruption investigation stemming from a 2016 insurance coverage scheme.

Williams, R-Vestavia Hills, and Connors, now a lobbyist, were arrested at their respective homes and appeared in federal court in Montgomery. In handcuffs shackled to their waists, Williams and Connors both told the judge they understood the charges against them.

Assistant United States Attorney Jonathan S. Ross said both men would be released Monday, with unsecured bails set at \$25,000. An arraignment hearing has been set for April 18.

Williams and Connors are charged alongside G. Ford Gilbert, the CEO of California-based healthcare company Trina Health. All three face charges of conspiracy to commit bribery related to federal programs, conspiracy to commit honest services wire fraud and honest services wire fraud.

Gilbert, who was arrested in California Monday, is also charged with health care fraud and interstate travel in aid of racketeering.

The charges stem from a 2016 scheme to force Blue Cross/Blue Shield, the state's largest insurer, to cover treatments provided by Trina's three diabetes clinics in Alabama.

Trina's clinics used an "artificial pancreas treatment" which provided intravenous insulin injection therapy for treating diabetes. The treatment was not FDA-approved, and in 2009 the Centers for Medicare and Medicaid Services announced it would not cover the costs of similar therapies.

Many private health care plans followed suit, according to Monday's indictment, including BC/BS.

The federal indictment alleges Gilbert made multiple payments to former Alabama House Majority Leader Micky Hammon in an effort to push a bill through the Legislature's 2016 session.

Gilbert also offered to pay Hammon's \$240,000 debt with Regions Financial Corporation, according to court documents.

Hammon pleaded guilty last year to felony charges of misusing campaign funds and is currently serving three months in federal prison. Though his is frequently cited in Monday's indictment, prosecutors said he isn't charged due to his previous conviction in federal court.

In 2014, Hammon was gifted an ownership in a Trina Health subsidiary in exchange for finding investments and a clinic space for a Birmingham-area clinic. Two Baldwin County clinics were already open and profitable, the indictment states, because Trina Health used billing codes to skirt BC/BS rules regarding artificial pancreas treatments.

BC/BS discovered the scheme and in August 2015, Gilbert told Birmingham clinic investors that the insurer would be unlikely to reimburse for the treatment in the future.

"Gilbert assured the investors that he was capable of causing BCBS-AL to reconsider its position," the indictment reads.

Hammons received nearly \$30,000 in wire transfers from Gilbert during this time period.

Gilbert hired Connors to lobby a bill in the Legislature, the indictment alleges, when Connors knew of the payments to Hammon.

The House legislation would have forced insurance companies to cover intravenous insulin infusions at medical clinics and offices, not just hospitals.

Williams, who chaired the House's Commerce and Small Business Committee, was recruited to hold a public hearing on the bill. Williams met with Gilbert and was aware of Hammon's financial issues, prosecutors say.

"Williams also knew of the payments to Hammon and acted in part to help Hammon, who, as everyone in the scheme knew, was experiencing grave financial problems," a Department of Justice release states.

BCBS fought the bill at the time, and it died in committee.

Gilbert tried to introduce similar legislation in the 2017 Legislature, but Hammon refused to support another bill. All three Trina Health clinics closed in 2017.

Williams was first elected to the House of Representatives in 2004. He said last year he wouldn't seek reelection to his seat and later announced his candidacy for the Jefferson County Commission.

Connors served as the Alabama Republican Party chairman from 2000 to 2005.

Monday's arrests are the latest in a string of elected officials' misdeeds in Alabama.

Former House Speaker Mike Hubbard, R-Auburn, was convicted in June 2016 of ethics violations and forced out of office. Former Gov. Robert Bentley, caught up in a scandal involving his relationship with a former aide, pleaded guilty to two campaign finance violations in April 2017 and resigned.

Former Alabama Chief Justice Roy Moore -- a candidate for Alabama's U.S. Senate seat -- lost his job in September 2016 after ordering probate judges to not issue same-sex marriage licenses. Former Rep. Oliver Robinson, D-Birmingham, has pleaded guilty to accepting bribes to fight an attempt to list a polluted area in his district on an EPA priority list.

Politico Magazine
April 2, 2018

The Most Powerful Lobbyist in Trump's Washington

<https://www.politico.com/magazine/story/2018/04/02/most-powerful-lobbyist-in-trump-washington-217759>

When Brian Ballard signed the lease last year for an office on the second floor of the Homer Building, a downtown Washington edifice that's home to a number of lobbying firms, he promised himself he would stay in the space for five years. He lasted one. In February, his firm, Ballard Partners, moved into a bigger office on the fourth floor to accommodate the new lobbyists Ballard has hired since the election of one of his former clients, President Donald Trump.

At the firm's first staff meeting in the new offices, Ballard and five of his Washington lobbyists sat in new leather chairs around a small conference table, with Ballard at the head. Robert Wexler, a former Democratic congressman from Florida whom Ballard hired last year, phoned in from Paris with an update on the firm's work for the Turkish government. Jamie Rubin, a former assistant secretary of state in the Clinton administration, called from Brussels and updated Ballard on a meeting he'd had with Moise Katumbi, an exiled opposition leader from the Democratic Republic of the Congo, who's a client.

"You'll be happy to hear that we signed the Maldives today," Syl Lukis, another Ballard lobbyist, told Rubin.

"Let's fire away quickly on Kosovo and Turkey," Ballard said. (The government of Kosovo is another Ballard client.)

Other Ballard lobbyists gave updates on their meetings with Trump administration officials and other work on behalf of the dozens of clients they represent in Washington, including Amazon, Dish Network, Uber, Pernod Ricard (the makers of Jameson whiskey and Absolut vodka) and Trulieve (a Florida-based medical marijuana company). Rebecca Benn, a former congressional staffer Ballard hired last year, updated Ballard and another lobbyist, Susie Wiles, on a meeting she'd set up for a client. "They were very, very happy — thank you, Susie — for the meeting at the White House last week," Benn said. "It went very, very well."

Ballard is a veteran Florida lobbyist who's been in Washington for barely a year — the blink of an eye in an industry in which many of the top practitioners have spent decades inside the Beltway. But Ballard is closer to the president than perhaps any other lobbyist in town. He's parlayed that relationship into a booming business helping clients get their way with the Trump administration — and his clients and even some of his rivals say his firm has a better grasp of what's going on in the West Wing than almost anyone else on K Street. Ballard was one of the top fundraisers in the country for Trump's campaign and continues to raise millions for his reelection campaign. Wiles, one of his top lieutenants, ran Trump's campaign in Florida and delivered the nation's biggest swing state to the president.

Ballard's relationship with Trump has helped him solve a lucrative puzzle that has frustrated more established players. For all of the president's "drain the swamp" rhetoric, the new administration has given corporate America and its lobbyists the opportunity to revive dreams of tax cuts, regulatory rollbacks and rule changes that were mothballed during the Obama administration. But Trump also presents a challenge for the influence business — a White House in which key positions at least initially

were as likely to be staffed by Trump loyalists as by old Washington hands with ties to K Street. Ballard has helped to bridge the gap. He's a Trumpfriendly out-of-towner who can connect with the establishment — he is a close ally of Senator Marco Rubio as well as Charlie Crist, the former centrist Republican governor of Florida who is now a Democratic congressman — and make corporate clients comfortable.

Ballard isn't the only person in Trump's orbit who decided to try his or her luck in Washington. Campaign veterans from Corey Lewandowski, Trump's fired-but-never-forgotten campaign manager, on down have flocked to "the swamp" to lobby the administration — or, in Lewandowski's case, to offer clients a glimpse into Trump's thought process without actually registering to lobby. But Ballard appears to have landed the biggest fish. He has signed more than 60 clients since setting up shop in Washington after Trump's inauguration, including bluechip companies like American Airlines and Sprint. Those clients paid Ballard nearly \$10 million last year for help navigating Trump's first year in office. (Those numbers don't include the \$3.1 million the firm says it brought in representing foreign clients such as Turkey and the Dominican Republic.)

"He's the only guy that's done it," said Robert Stryk, a lobbyist who runs in the same circles as some former Trump campaign hands and moved to Washington himself after the election. (Stryk's company, SPG, bills itself as a "private diplomacy" firm rather than a traditional lobbying shop.)

Lobbyists at some of Washington's established firms are quick to praise Ballard, but they also wonder how long his success can last, given the unique nature of the Trump administration. There are risks to building a shop around one principal's relationships. The now-defunct firms of Ed Gillespie, who was one of Washington's most powerful lobbyists during George W. Bush's administration, or Tony Podesta, who thrived under Barack Obama, might be regarded as cautionary tales. "Brian is building a strong Washington office, but the question is what happens when the circus leaves town," one Republican lobbyist with close ties of his own to the administration told me.

Unlike Lewandowski, who hasn't been able to resist boasting about his relationship with Trump as he hustles for clients, Ballard has taken pains to avoid the appearance of cashing in on his relationship with the president. He refuses to speak on the record about how often he talks with the president. But his clients say he's been able to figure out how the Trump administration works in a way no one else has. For now, at least, it's working for him.

Trump called Ballard in the days before he announced he would run for president. The two men have known each other for nearly 30 years. Ballard met Trump after picking up a copy of *The Art of the Deal* in the 1980s. He read the book and was so struck by it that he wrote Trump a letter telling him how much he'd enjoyed it. "I loved the idea of 15-minute meetings," Ballard told me years later. "That's one of the things in the book that still stands out to me." He later told the *Orlando Sentinel* that he didn't believe in meetings that lasted any longer. Trump wrote "this beautiful letter" back, Ballard says, and they kept in touch.

Ballard ended up working on and off as Trump's Florida lobbyist, helping the Trump Organization negotiate state and local government when issues came up with Trump's Doral golf club. A decade before Trump announced his presidential run, Ballard helped orchestrate a fundraiser in 2005 at Trump

Tower in Manhattan for Crist's campaign for Florida governor. "A friend told me about his record," Trump told the St. Petersburg Times at the time, referring to Crist. "I checked him out. I met him, I liked him, and I said I could help."

Ballard, like most of Florida's Republican establishment, backed Jeb Bush in the primary, but when Trump called he offered to do what he could for his client. In September, as it became clear that Trump's lead in the polls wasn't going away, Ballard dispatched Wiles to New York to meet with Trump. Wiles was named the Trump campaign's Florida co-chairwoman a few weeks later.

It took months for Ballard himself to come around to Trump. He jumped ship first to Rubio's campaign and signed on with Trump only once it was clear he would be the Republican nominee. But once he was in, Ballard proved a valuable asset. Florida is home to lots of wealthy Republican donors, and Ballard knew most of them after raising money for John McCain and Mitt Romney's presidential campaigns. Trump named Ballard his Florida finance chairman, and Ballard raised millions for his campaign. He spoke with Trump often and traveled on the campaign plane with him. The effort also put him in close touch with Reince Priebus, the Republican National Committee chairman who would be tapped as White House chief of staff, and Steven Mnuchin, the campaign's finance chairman, who's now treasury secretary. Trump spent more time in Florida in the general election than in any other state. And "whenever we did an event in Florida I was there," Ballard said.

Ballard watched the election returns come in with Lukis at an apartment he keeps in Manhattan. They didn't know whether Trump would win — although Wiles later said she was confident he would pull it off — but they hoped he'd at least carry Florida. When it became clear Trump would become president, they high-fived and walked over to the victory party. The calls from clients started the next day. "To say they were freaking out is absolutely maybe even an understatement," Wiles said.

Some Trump campaign hands almost immediately began trying to figure out whether they would be working in the new administration or lobbying it. Ballard, who was raising money for the inaugural committee, moved more slowly, waiting to open his Washington office until after the inauguration. (His firm began representing a half dozen federal clients before Trump took office, according to disclosure filings, but Ballard says he didn't do any lobbying until later). Within three months of the inauguration, though, Ballard had signed two dozen clients, not just Amazon and American Airlines, but also Prudential and the GEO Group, a private prison operator.

Many early clients were companies Ballard already represented in Florida. Those clients beget more clients. "We started representing Dish [Network]," Ballard said. "They referred us to MGM, who referred us to H&R Block, who's referring us to another client right now." Signing high-profile corporate clients helped Ballard lobbyists get meetings with Trump administration officials, which helped him snag more clients. No one screened Ballard's calls during his first months in Washington, so he ended up turning away some "squirrely" would-be clients himself: people who wanted to lobby the State Department to buy their patents, bitcoin speculators, people with "some really weird gold issues." "If it's anyone who says I want to pay you to set up a meeting with the president or whatever, we just say no out of hand," Ballard said. "We end that conversation. We don't do that stuff."

Ballard isn't the only Washington lobbyist who has a personal relationship with Trump. Dave Urban, a veteran lobbyist who helped Trump carry Pennsylvania, is also widely believed to be close to the

president. But Ballard's clients say many other Republican lobbyists in town haven't figured out how to negotiate the Trump administration more than a year into his presidency.

"I'll be very honest about this: I still don't feel this town has caught up," Richard Haselwood, a lobbyist for one of Ballard's clients, the tobacco giant Reynolds American, said one night in February as he sipped a martini. Ballard, Wiles and I, along with a couple of other Ballard lobbyists, had met Haselwood for drinks at Mastro's, a steakhouse across the street from Ballard's Washington office (and three blocks east of the White House) that's become enough of a haunt for Ballard lobbyists that they've started to learn the names of the waitresses.

Congressman Matt Gaetz dropped by the table, cocktail in hand. Gaetz, a baby-faced freshman from Florida, is closer to Trump than most House Republicans. He's flown on Air Force One and is a frequent presence defending Trump on Fox News, CNN and MSNBC, which has gotten the president's attention. Gaetz has bragged that Trump sometimes calls him when he gets off the air. But even Gaetz sometimes needs help from Ballard lobbyists to get what he wants from the West Wing. "Even as a friend of the president who speaks frequently with the president, sometimes I have to call Susie Wiles to get my way," he said.

Haselwood was one of a number of lobbyists for Ballard's Florida clients who urged him in the weeks after the election to consider setting up shop in Washington. Reynolds American, like other big companies, was struggling to figure out how to negotiate what would soon be Trump's Washington. Haselwood recalled Ballard being mobbed at the Republican Governors Association meeting in Orlando the week after the election. "Everyone is down there," he said. "No one knew what was going on. Brian came in and people were, like, rushing to him."

Ballard has helped clients like Reynolds map out who's really calling the shots in Trump's administration, where aides and even Cabinet members can be influential one week and out of favor the next. "Brian jumped in and jumped in big, and I'm thrilled," Haselwood added. "I'd feel naked without him."

Ballard spent nearly two decades figuring out how to dine and golf with Florida's governors without abusing his relationships with them. He told the St. Petersburg Times a decade ago that he avoided lobbying Crist unless the governor's staffers were present. "I don't sneak it in while we're shooting the breeze," Ballard told the paper. "It doesn't work that way. It would be gross."

He grew up in Delray Beach, Florida, one of six children raised by a single mother. He got his start in politics at 24, when he took time off from law school to work as a travel aide and driver to Tampa Mayor Bob Martinez, a Republican waging a long-shot campaign for governor. When Martinez won, Ballard moved to Tallahassee to work for him and traded in his 1980 Toyota Tercel for a silver BMW. By the time the Orlando Sentinel profiled him in 1990, Ballard was the governor's chief of staff and had just married Kathryn Smith, the daughter of Florida Secretary of State Jim Smith, in what another newspaper called "Tallahassee's wedding of the year." (George Steinbrenner, a future Ballard client, was a guest.) The Sentinel profile recounted Ballard yukking it up on the phone with Jeb Bush — who was chairman of Martinez's reelection campaign — and described him as the "brat-savant of Florida politics."

Martinez lost reelection in 1990 to Lawton Chiles, a Democrat, and Ballard stuck around Tallahassee as a lobbyist. It wasn't an easy time to start out as a Republican lobbyist: Democrats held majorities in both

chambers of the Florida Legislature and the governorship. But Republicans won control of the Florida Senate in 1994 and took the House two years later. And in 1998, Ballard's old pal Jeb Bush was elected governor.

A few weeks after the election, the Ledger of Lakeland, Florida, reported that Ballard's firm — called Smith, Ballard, Bradshaw and Logan at the time — had something other Tallahassee lobbying firms “only wish they could claim: an undeniably special relationship with Bush that is being cautiously defended.” Ballard brashly told the paper his firm had no more access to Bush than anyone else. “Anyone who thinks that when they are hiring us they have secured some special niche in the administration is wrong and should save their money,” Ballard said. “Don't hire us. Go somewhere else.”

Despite his protestations at the time, Ballard proved remarkably successful over the next two decades at cultivating friendships with Florida's Republican governors. He was an early supporter of Crist's successful campaign to succeed Bush. When Rick Scott, a former hospital executive, beat the candidate Ballard was backing in the Republican primary to replace Crist, Ballard hustled to win him over, raising enough money for Scott's general-election campaign that Scott named him chairman of his inaugural committee after he won. Ballard also hired the woman who'd managed Scott's dark-horse campaign: Wiles, who would help Trump win Florida six years later. Mac Stipanovich, a longtime Republican lobbyist in Florida who hired Ballard to work on the Martinez campaign three decades ago, said Ballard has had “private, mansion-dinner relationships with every governor of Florida since” Bush. (The two men remain friends even though Stipanovich claims to “hate Trump worse than a snake.”)

Ballard is 56, with a tanned face and slightly sandy brown hair. He splits his time between Tallahassee, New York and Washington these days, but he retains something of a Florida air about him. When I met him at his office one morning in January, he wore a blue suit, a bright white shirt open at the collar and loafers. Lobbyists who know Ballard in Florida say he can be intensely competitive, but in person he's warm and laughs easily. Unlike many other Washington lobbyists, he doesn't seem like he's trying to ingratiate himself with you.

“I think the fastest way to get shut out is to start talking about who you can influence and who you can't influence,” Lukis, a Ballard managing partner who moved to Washington after the election to open the new office, said over breakfast one morning at the Old Ebbitt Grill. “I don't even like the word ‘influence.’ I'm not trying to influence anybody. What I'm trying to do is to have input into the ultimate decision-making process that's being made regarding the issue that we're working on. And I'd just as soon talk to a staffer than I would the secretary, because I think ultimately if you can get the staff to agree with you, 98 percent of the time you're probably going to get the secretary to agree with you.”

If Ballard hadn't helped to elect Trump, it's easy to imagine he might be one of the many Republican lobbyists in Washington who aren't enamored of the president. He's raised money and professed admiration over the years for several Republicans who have been harsh Trump critics: Jeb Bush, John McCain, Mitt Romney. He's occasionally even given to Democrats, including his old friend Crist, who became an independent during his failed Senate campaign in 2010 and is now a Democratic congressman. “Brian is a fairly moderate Republican, I think I would say,” Crist said when I asked him what it was like to be on the other of the partisan divide from Ballard. “So it's fine.”

He laughed. Ballard has taken criticism from Republicans who would have rather seen Hillary Clinton elected than Trump. It's cost him friendships. After the “Access Hollywood” tape came out late in the

campaign, he said, "I can recall a very active Republican that I was trying to get to help at an event after that asking me if I was ashamed of myself." No, not at all, he replied. "No one's going to be fooled by electing Donald Trump," he told me. "He is what he is."

If he didn't know Trump, he might have ended up as a Trump critic rather than a supporter, he told me. "But I know him," he said.

Ballard's relationship with Trump isn't all that different from the bonds that hundreds if not thousands of lobbyists in Washington have with members of Congress they used to work for. Like Ballard, many lobbyists help sustain those relationships by giving money and hosting fundraisers for their old bosses' reelection campaigns. The difference is that Ballard's relationship is with the president of United States. Lobbyists and former campaign big shots such as Lewandowski had it particularly easy in the first months of the administration, before John Kelly replaced Priebus as chief of staff and cracked down on outside access to Trump. "You were walking in, you were having dinner," said a lobbyist for one of Ballard's clients, who estimated Ballard talks with Trump every few weeks. "It was like dealing with a Senate office or a small-time governor."

Ballard won't talk about what he does for his clients, for the most part. He made an exception for his work on behalf of Katumbi, the exiled Congolese opposition leader. Katumbi, who fled the Democratic Republic of the Congo in 2016 to avoid being thrown in prison by President Joseph Kabila, hired Ballard to help persuade the Trump administration to pressure Kabila to allow him to return. Ballard, Lukis and Katumbi met with a deputy to Nikki Haley, the U.S. ambassador to the United Nations, in October before Haley traveled to the Democratic Republic of the Congo, and Haley forcefully called for the country to hold elections this year on her trip.

Not all of Ballard's foreign clients are as sympathetic. Ballard signed a contract with the Turkish government worth \$125,000 a month on May 11, days before Turkish President Recep Tayyip Erdogan's security guards beat up peaceful protesters outside Turkey's embassy, according to a Justice Department filing. Another filing shows Ballard met several times with administration officials on Turkey's behalf, including Sean Cairncross, a senior adviser to the White House chief of staff, and Matt Mowers, a State Department official who worked on Trump's campaign.

Domestic lobbying filings don't require the same level of disclosure, and Ballard's are especially lacking in detail. But they give a sense of the scope of his lobbying efforts. Ballard Partners has lobbied nearly two dozen federal agencies, from the Treasury Department to the Army Corps of Engineers, as well as the White House, Vice President Mike Pence's office and Congress. Ballard and his partners pulled in \$550,000 last year lobbying the White House and the Justice Department for the GEO Group, the private-prison operator, which won the administration's first immigrant-detention contract in April, less than three months after signing Ballard. He lobbied the Office of the U.S. Trade Representative on behalf of LG, the South Korean electronics manufacturer, and two solar-panel installation companies as the administration considered whether to slap tariffs on imported washing machines and solar panels. And he started lobbying the White House for Crowley Maritime, a Florida shipping company, four days after the administration waived the Jones Act in an effort to speed the delivery of hurricane relief to Puerto Rico. Thomas Crowley, the company's chief executive, told the Washington Post at the time that waiving the Jones Act — which requires shipments between U.S. ports to be carried on American-

flagged vessels — wouldn't help relief efforts. The Jones Act, Crowley added, “is very important to our company and America's shipping industry.” Trump allowed the waiver to lapse days later.

The staff at Ballard Partners remains small, at least compared with how much money Ballard is pulling in. The firm had just six registered lobbyists handling domestic work in the fourth quarter of 2017, when it took in \$3.6 million. That made it the No. 17 firm in Washington, ahead of many long-established firms, according to a POLITICO analysis of lobbying disclosure filings. Peck Madigan Jones, the No. 16 lobbying firm by revenue, had twice that many lobbyists.

Ballard insists he wants to build a firm that will outlast Trump, but some lobbyists are skeptical that he'll succeed. If Trump leaves before his term is finished or fails to win reelection, “I would imagine there would be significant drop-off” in Ballard's business, a prominent Democratic lobbyist said. “Because it's a straight Trump play.”

Still, Ballard wouldn't be the first state-level lobbyist to make a permanent leap to Washington. The Denver law firm Brownstein Hyatt Farber Schreck, for instance, opened a Washington office in 1995 and is now the No. 2 lobbying shop in town by revenue. Norm Brownstein, the chairman of the firm's board, told me he admires what Ballard has achieved so far, before adding, “I believe as long as [Trump] is president, he will have a great practice.”

Ballard's fundraising prowess means he'll remain valuable to Trump at least through 2020, the lobbyist for one of Ballard's clients told me. Washington lobbyists, of course, have hosted fundraisers and given money as a way of ingratiating themselves with lawmakers for decades. But relatively few lobbyists are raising serious money for Trump, whom many Republicans on K Street freely disparage in private. Ballard is one of only three lobbyists who's a vice chairman of the Republican National Committee's fundraising committee. “He's a ferocious fundraiser. I mean, if that coffee cup could give money,” Wiles told me over coffee one morning, gesturing toward a mug on the table.

Stipanovich, Ballard's old friend in Florida, said he was willing to make a prediction: Ballard, unlike other Trump campaign veterans who have come to Washington, will be in business long after Trump is out of office. “When Trump is gone, Lewandowski might as well buy a bed-and-breakfast in Vermont,” Stipanovich said. “But not Brian.”

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Amazon Severs Ties With Top Lobbying Firms in Washington

<https://www.bloomberg.com/news/articles/2018-03-30/amazon-said-to-sever-ties-with-top-lobbying-firms-in-washington>

Amazon.com Inc. cut ties with Washington's biggest lobbying firm and brought on new advisers following passage of the tax overhaul bill last year and in the face of new challenges in the age of President Donald Trump.

The shakeup occurred last Friday, a week before Trump briefly sent Amazon's stock tumbling with a Twitter attack on the world's largest online retailer. Trump charged that Amazon doesn't pay enough in state and local sales taxes, hurts retailers and gets an unfair edge on the back of the U.S. Postal Service.

Amazon ended its relationship with Akin Gump Strauss Hauer & Feld LLP, the law firm that attracts more lobbying revenue than any other K Street operation, and Squire Patton Boggs, last Friday, according to a person familiar with the decisions. At the latter firm, Amazon's lobbyists included former Senate Majority Leader Trent Lott.

In their place, Amazon hired Paul Brathwaite of Federal Street Strategies LLC and Josh Holly of Holly Strategies Inc., according to the person. Both formerly worked as outside lobbyists for Airbnb Inc. and Oracle Corp. at the defunct Podesta Group, which was once dubbed the "King of K Street," before becoming entangled in Special Counsel Robert Mueller's investigation into Russian meddling in the 2016 election.

"It's commonplace for us to work with different consultants based on evolving business priorities," Amazon said in a statement.

Image Investment

For years, Amazon has been working to steer its image from that of a cut-throat internet giant wreaking havoc on Main Street to that of a job-creation machine that invests billions in new warehouses and offices, hires people by the thousands and helps small businesses grow by letting them sell products on its popular web store.

In recent months, however, the company has faced a shifting landscape in Washington. Trump has aimed repeated Twitter barbs at Amazon Chief Executive Officer Jeff Bezos, who also owns the Washington Post, which has been critical of his administration. Attacks by the president have coincided with calls for scrutiny by outside groups that say Amazon has gotten too big and should be investigated for anti-competitive practices.

Both Akin Gump, which began working with Amazon in 2014, and Patton Boggs, which the company famously hired in 2013 at the beginning of a surge in lobbying, had been focusing on tax matters for the company, according to their most recent federal lobbying disclosures.

Driven by the need to tackle regulatory and legislative hurdles to its ever-expanding business lines, Amazon has increased its lobbying spending more than 400 percent in the last five years, shelling out nearly \$13 million in 2017, according to the disclosures. It lobbied more government agencies than any other tech company, the records show, making its presence felt from Congress and the White House to NASA as it outspent all of its peers except for Google.

While for years, Amazon focused on a narrow set of issues such as state sales taxes and copyrights, the online retail giant now deploys lobbyists broadly across Washington as it seeks to begin drone delivery of goods, sell cloud services to the Defense Department and make acquisitions.