

# MULTISTATE

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## Weekly Lobbying Articles

May 17, 2018

Florida Watchdog

May 15, 2018

### Who is lobbying Citizens? State insurer asked to provide more details

[https://www.watchdog.org/florida/who-is-lobbying-citizens-state-insurer-asked-to-provide-more/article\\_2f476232-53ee-11e8-b8fa-ef269e1f813a.html](https://www.watchdog.org/florida/who-is-lobbying-citizens-state-insurer-asked-to-provide-more/article_2f476232-53ee-11e8-b8fa-ef269e1f813a.html)

Florida voters will see a proposed Constitutional amendment in November that would ban former legislators and government officials from lobbying local and state agencies and lawmakers for six years after they leave office.

But the proposition – Proposal 6007 – on the Nov. 6 ballot is a pared-back version of its original iteration, which also would have prohibited governmental agencies from using lobbyists to influence the Legislature’s annual appropriations process.

Proposal 6007 is among eight proposed constitutional amendments added in April to the five that were already on the November ballot by the Constitutional Review Commission (CRC), a 37- member panel that meets every 20 years to review the state’s constitution and place proposed amendments directly before voters.

The original proposal was amended to remove the prohibition against government agencies using lobbyists to represent them during budget deliberations because, CRC commissioners said, its inclusion would imperil passage of the broader ethics package in Proposal 6007.

While lobbying by state and local government agencies continues to be scrutinized in Tallahassee, of equal importance, yet often overlooked, is a full accounting of who and what are lobbying those same state and local government agencies.

Florida Chief Financial Officer Jimmy Patronis this month directed an open letter to Citizens Property Insurance Corporation President and CEO Barry Gilway announcing he would request that the state-backed insurer be required to disclose who is lobbying them and what they are lobbying for.

“I believe that transparency should be a key component to any organization,” he writes.

“Currently, lobbyists are not statutorily required to disclose their efforts on behalf of clients and private interests they represent before Citizens Property Insurance Corporation.”

Patronis, a former state legislator appointed state CFO by Gov. Rick Scott in July 2017, is seeking re-election in November. Among his priorities: "To ensure transparency is a priority at state-backed organizations."

Patronis said Citizens should be required to meet the same lobbying regulations and disclosures that the state's five water management districts must adhere to.

"Transparency is one of the best ways we can ensure accountability. It should be crystal clear who is interested in influencing Citizens policy changes or securing contracts with the Corporation," he writes.

Citizens Property Insurance Corporation was created by the Florida Legislature in 2002 as a nonprofit insurance provider because private insurers were unwilling or unable to provide affordable property insurance coverage for homeowners in many areas of the state. It provides insurance to more than 444,000 homeowners in Florida.

Patronis said "considering the lack of a statutory requirement" defining lobbying disclosure requirements, the state-backed insurer "should examine its internal Code of Ethics and consider options such as publicly documenting entities that lobby Citizens. These options would be a proactive approach while awaiting the next legislative session to address this statutorily."

He is requesting that Citizens attend the June 13 governor and cabinet meeting "to discuss the corporation's plan of action and timeline to correct this shortcoming."

In a statement on behalf of Citizens' board, Chairman Chris Gardner said "Citizens is looking forward to working with CFO Patronis and Cabinet on this issue and will come with specific proposals on how to accomplish the goals outlined in his letter to ensure transparency." Citizens spokesman Michael Peltier said "we will certainly be there" on June 13, noting the entity's "staff legislative officials" are all properly listed in the state's lobbyist registry with full disclosure regarding their activities.

Peltier said Citizens will present the cabinet with redefined rules and regulations identifying "third party folks who deal with Citizens" in securing contracts and lobbying to influence its policies.

**KPLR11**  
**May 13, 2018**

### **Initiative targeting government corruption likely to be on Missouri's November ballot**

<http://kplr11.com/2018/05/13/initiative-targeting-government-corruption-likely-to-be-on-missouris-november-ballot/>

Missouri will likely see "A Clean Missouri" on the ballot in November 2018, a proposal to attempt to dilute the influence of lobbyists and big money in the state's elections and the legislative process.

Supporters submitted nearly 350,000 signatures through the initiative petition process to the Secretary of State's office on May 4.

One of the initiative's early supporters is Sen. Rob Schaaf, R-St. Joseph. Schaaf is termed out and is leaving Jefferson City this year after 16 years of service in the House and Senate. While he will miss

serving his constituents, he told FOX 2 he will not miss what he calls a culture of corruption in the Capitol.

"I think that the people of Missouri are sick and tired of seeing the legislature do the will of special interests instead of the will of the people and this is an effort to limit corruption," Schaaf said.

Missouri is still the only state without a lobbyist gift ban. Lawmakers accepted more than \$1 million worth of ballgame tickets, meals and other perks last year.

Although Missouri voters closed a loophole in 2016 to cap individual campaign donations, millions of dollars are flowing so called "dark money" groups who do not have to disclose their donors.

Schaaf was once a target of one of these groups, A New Missouri. The non-profit is run by former Greitens' Campaign Manager Austin Chambers and advocates for the governor's agenda. Last year, the group bought ads featuring Schaaf's personal cell phone number.

"I think that the coercion and threats are effective and people who contribute large amounts of money and threaten to withhold that support are effective," Schaaf said.

A Clean Missouri would eliminate almost all lobbyist gifts and would cap campaign contributions to House and Senate members. Clean Missouri supporters say the proposal closes the dark money loophole by capping donations to those candidates by individuals as well as groups or entities.

The proposal would require lawmakers to wait two years before they can turn around and lobby their colleagues, and allow the state to hire a non-partisan demographer to draw legislative districts.

A Clean Missouri's opponents like most of what's in the proposal, but claim it is a Democratic redistricting plan in disguise.

"Lobbyists and special interest groups will always put this cute little name on something that people can get behind," said state Rep. Nick Schroer, R-St. Charles. "Who is against cleaning up Missouri, nobody."

Schroer said the proposal gives too much power to the state auditor in selecting who will draw the maps. Right now, Auditor Nicole Galloway is the state's only Democratic statewide elected official.

"Once this takes place, you could have a district that stretches from district number one in northwest Missouri all the way down to Columbia, hundreds of miles," Schroer said.

"[That's] just so they can get an even flow, force an even flow of Republicans and Democrats in these districts.

Schroer said the legislature can pass ethics reforms, but Schaaf said Missourians should not trust his colleagues.

Although Gov. Eric Greitens ran on an ethics platform and studied ethics at Duke University, he is currently dogged by two felony charges.

"The only way to get true ethics reform is to get the people to go around the legislature and do it for them," Schaaf said. "The legislative members, they benefit from the status quo. They use the system as it is to keep themselves in power, and keep winning."

The Secretary of State's office still has to certify all of the signatures collected by a Clean Missouri's supporters.

**The Telegraph**  
**May 11, 2018**

**Hundreds of elected officials have been fined for not turning in campaign reports on time**

<http://www.macon.com/news/politics-government/article210775334.html>

The state ethics commission's website includes hundreds of elected officials and candidates who at one point owed money for not disclosing on time — or at all — how millions of dollars in campaign donations have been raised or spent.

As well as details about their personal financial business.

From water authority commissioner to governor, everybody who holds or wants an elected office must provide that data.

Not doing so is supposed to mean a fine as high as \$1,375 per report — yet no one knows just how much is owed because no one knows precisely how many people broke the law.

Folks running for higher offices, like governor or the state legislature, usually comply, said Stefan Ritter, executive director of Georgia's ethics office.

But folks who run for city and county offices, like mayor or city council, don't send their paperwork to Ritter's office. They send it to a local officer, like a city or county clerk. Then the clerk is supposed to send it to the state.

Ritter said what arrives in Atlanta is sometimes inscrutable, like faxes covered in messy handwriting or formatted so it won't fit into the computer system.

And if a clerk runs late sending this stuff, the document arrives late and is counted as late, through no fault of the candidate's.

**Who owes?**

The late filers or no-filers range from state officials to judges to city and county leaders across the region.

Javors Lucas, a longtime member on the Macon Water Authority, owes \$4,250 for not turning in his campaign forms on time.

Missing are campaign contribution forms dating between October 2016 and June 2017.

Lucas told the Telegraph he did not know about campaign contribution forms or why he was being asked about them.

And a discussion about campaign reports is playing out in the race for state House District 141 among candidates seeking to represent north Bibb County and part of Monroe County. MaconBibb County

Commissioner Gary Bechtel has been questioned by opponent Shane Mobley about why he owes money for not filing some reports.

According to the ethics commission, Bechtel currently owes \$1,625 for some reports that were either never filed or deadlines were missed.

Bechtel said the fees were incurred because he unknowingly did not sign an affidavit with the ethics commission that would have changed how where reports were filed.

According to the ethics commission's website, local candidates can sign an affidavit stating if they do not plan to raise or spend more than \$2,500 during an election cycle, then they do not have to file with the state.

"There's no excuse for (not signing the affidavit), but the issue was when the state law changed it allowed the local board of elections to receive the reports from local candidates," Bechtel said Friday.

Bechtel said he has turned in his reports for the current election cycle and has paid fines. He expected the matter to be resolved with the commission.

Another role of the state ethics commission involves lobbyists, who are required to turn in lobbyist disclosure forms.

The commission says a former lobbyist, Steve McWilliams, owes more than \$34,000 from his tenure as president of the Georgia Forestry Association, based out of Forsyth.

For lobbyists the fines are much higher than elected officials, as much as \$11,275 if a single report is not filed within 21 days of the deadline.

McWilliams disputes that fine amount is owed, saying he was unaware that any late fees were being accrued. He said he has not been a lobbyist for the previous two legislative sessions, and when he was involved, the forms were turned in by the deadline.

"I'm confident we turned them in because we were so careful about that," McWilliams said. "I'm confident that there is some kind of error that has occurred at the ethics commission."

In 2016, Gov. Nathan Deal vetoed a bill that would have provided amnesty to local officials for fines, fees and penalties incurred from 2010-2014.

The reason for the bill, according to some legislators, was the backlog that would occur with the ethics commission's website when local officials were trying to file online, leading to them being fined when they should not have been.

### **Why file?**

Why is it important for those disclosure forms be turned in?

Because it allows the public a better chance to expose backroom political deals. By seeing who donates to certain elected officials, it may raise some concerns about decisions that are made, says one political expert.

For instance, campaign forms may reveal a property owner donated to an elected official who played a key role in a land deal, said Brooke Miller, associate professor of political science at Middle Georgia State University.

“It’s very clear that in some cases if someone owns property and they have that political connection then they’re able to get a lot more for the land than a regular citizen would be able to,” Miller said.

Consider the case of Atlanta City Councilman Michael Julian Bond. In 2016, the ethics commission said he needed to pay \$58,000 for nearly 300 campaign finance violations over several years.

The commission found Bond had, for example, accepted checks in 2011, but entered zero in donations on his disclosures covering that period. And he’d spent campaign money on things like his home power bill and a sleep apnea machine. He blamed the failures on health challenges, including fading eyesight. The councilman was re-elected in 2017 by a margin of less than one point.

Miller said the lack of enforcement power that the ethics commission has is one reason so many people don’t file their campaign forms on time.

Unless it rises to a legal matter that can be investigated by authorities, the commission doesn't have enough resources to make everyone pay, she said.

“I think some of the (officials) value the fact that they have to do it,” Miller said. “But there are some if they can get away without turning it in, that’s what they’ll do.”

### **Differing approaches**

Ritter said he would rather all candidates file to his office, not to those local offices. And when a politician files straight to Ritter's office, the document goes online. So it’s a pretty straightforward internet search to find, say, the governor’s campaign donors.

But finding a mayor’s or city council member’s donors might not be easy, depending where they live. Some places like Atlanta and Fulton, DeKalb, Cobb and Gwinnett counties publish disclosures online.

Many others don’t. Anyone who wants to read them has to track down the right clerk and ask for the documents.

The Georgia Municipal Association has opposed the ethics commission’s moves to get those city and county clerks to report on who’s late or missing.

And the GMA has supported keeping filing local for their members — though that’s changing. Rusi Patel represents hundreds of city elected officials as an attorney at GMA.

“I think one of the issues,” said Patel, “is there were a lot of problems with the ethics commission ... and that doesn’t breed trust with our membership, as you can probably imagine.”

The bad blood dates to before Ritter’s time, but it’s left memories. A 2014 report by state auditors slammed the commission for being dysfunctional, for being inconsistent, for having underqualified staff, for failing to handle complaints and more. Officials used to complain that the system for filing was not usable, and it wasn’t possible to get in touch with the ethics commission.

But in a 2017 follow-up, auditors said the commission had taken action to fix most of their 2014 issues.

Patel said GMA would endorse the idea of council members and mayors and the like sending their records directly to the state — but only in baby steps, if the ethics office proves they can handle the workload.

GMA proposes that everyone who raises more than \$5,000 for a campaign could file to the state. So in a high-dollar race, like for mayor of Macon-Bibb County, records would go to the state, and straight online too.

Patel admits that with thousands of officeholder-members, probably some of GMA's folks aren't filing their disclosures. But as for whether that information gets to the state?

"They have avenues for getting this information if they feel like they're not getting the right stuff," said Patel. "They just have to put in the elbow grease, the legwork and try to get communications with the cities where they think they are issues."

Macon Democratic state Rep. James Beverly, who sits on the state House Ethics Committee, said he could see new folks wrestling with filing a little at first because there's a learning curve to it.

"From the expense standpoint," said Beverly, "I think just having integrity around that kind of stuff, you just have to do it."

**The Post and Courier**  
**May 13, 2018**

**S.C. Statehouse effort to undercut bag bans failed this year. But the fight's not over.**

[https://www.postandcourier.com/news/s-c-statehouse-effort-to-undercut-bag-bans-failed-this/article\\_ceb596ca-4edc-11e8-9ca7-87350045c5d7.html](https://www.postandcourier.com/news/s-c-statehouse-effort-to-undercut-bag-bans-failed-this/article_ceb596ca-4edc-11e8-9ca7-87350045c5d7.html)

The push to prevent South Carolina towns and cities from enacting their own local bans on plastic bags died in the Statehouse. But the fight is not over for the pro-bag lobby, which represents a plastics industry that remains a vital and lucrative part of the state's economy.

And the legislation is likely to come back again in 2019. Another possibility: rolling back the bans that some governments have already adopted.

"This issue is just not going away," said Matt Seaholm, executive director of the American Progressive Bag Alliance, an interest group funded by the plastics industry.

Several communities, mostly from South Carolina's coast, have taken to banning single-use plastic bags — like those used in grocery stores — citing environmental concerns.

Alarmed by the trend that's part of a national movement, retail groups, plastic industry interests and business organizations coalesced to stop the effort by hiring lobbyists and making political donations as they supported the pre-emption bill in the S.C. General Assembly.

The push was ultimately unsuccessful, as legislation got jammed up earlier this month before final consideration by lawmakers.

Still, it was not for lack of trying. The American Progressive Bag Alliance paid slightly more than \$30,000 to employ four lobbyists in Columbia in 2017, according to state records. Records for lobbyist spending in 2018 had not yet been filed with the State Ethics Commission.

### **Plastics rooted in the state**

The bag and packaging industry has significant operations in South Carolina, which is home to the headquarters of two major container manufacturers. The products of both would have been protected by the bill, which stopped local governments from regulating "a bag, cup, package, container, bottle, or other packaging" made of a multitude of materials, including plastic, paper, cloth, glass, aluminum and polystyrene. It applied to both single-use and reusable containers.

Novolex Holdings Inc. manufactures many types of bags through several subsidiaries, including plastic grocery bag-maker Hilex Poly. Sonoco Products Co. produces a range of packaging, including plastic deli containers. Both are based in Hartsville.

The companies have been consistent donors to Republicans in recent years. Representatives of both corporations could not be reached after multiple phone messages.

Novolex alone donated a total \$24,500 to the House and Senate Republican Caucus Committees since 2015, including a \$5,000 donation to the House group the day after the bill to stop bag bans was introduced in that chamber in 2017. It also gave Republican Catherine Templeton's gubernatorial campaign \$1,000 in September.

Sonoco donated \$13,500 to the House Republican Caucus Committee in the past five years, gave \$1,000 to House Speaker Jay Lucas in March and donated \$500 to the Templeton campaign in November.

Seaholm said the plastic retail bag industry accounts for about 25,000 employees, and the broader plastics industry is the third-largest manufacturing sector in the country.

"There's no doubt that the industry is doing quite well, despite having all sorts of arrows shot at it from all kinds of directions," he said.

Representatives of the industry haven't been shy in shooting back as they battle regulations wherever they arise. When California lawmakers approved the country's first statewide plastic bag ban in 2014, the APBA collected more than 800,000 signatures to put the law to a referendum, according to the Los Angeles Times.

The group spent more than \$3 million as it was collecting signatures and \$2.2 million as it was campaigning for the referendum in 2016, according to its filings with the state of California. Those efforts were financially supported in part by Hilex Poly, the subsidiary of Novolex.

The attempt to overturn the law ultimately failed, leaving California's ban in place.

The APBA has also employed lobbyists in several states that have implemented legislation to stop local jurisdictions from regulating the bag, including in Michigan, Wisconsin and Idaho. In all, 10 states have stopped cities and towns from regulating bags, and a similar bill is pending in Ohio, according to the National Conference of State Legislatures.

"We don't go alone on these laws by any means," Seaholm said. "We are part of coalitions in each of these states."

In South Carolina, other groups that supported the pre-emption bill included the S.C. Chamber of Commerce and the S.C. Manufacturing Association. Sonoco has been a consistent donor to both groups' political fundraising operations, giving a total of \$19,700 since 2013.

Although time ran out on the plastic bag bill, big business has been particularly successful this year in promoting their interests on the state level.

### **Coastal trend**

Former State Rep. Eric Bedingfield, a Republican from Greenville County who served from 2007 until January, said the bill to pre-empt bag bans didn't seem to resonate with other lawmakers when he first introduced it in 2016. By the time it was reintroduced by Bedingfield at the beginning of 2017, Folly Beach had instituted the second ban on single-use bags in the state and other coastal cities were discussing similar measures. Isle of Palms was the first, enacting a ban in 2015.

Bedingfield said he offered the bill in an attempt to stop an array of differing rules around the state, which could prove difficult for businesses with multiple locations.

"I think it's just a matter of awareness. People didn't pay a lot of attention to the bill when it was introduced the first time," Bedingfield said. "As (bans) got more press ... people started to understand, hey, this is what that effort is."

Bans of single-use plastic bags have now been passed in Surfside Beach, Isle of Palms, Folly Beach and in Beaufort County, including Hilton Head. Mount Pleasant banned the bags as well as polystyrene containers.

The bans have gotten traction along the coast in part because supporters argue that single-use bags are harmful to the marine ecosystem. Bags end up caught in waterways, or float out to sea, where sea turtles can confuse them for jellyfish and end up eating them.

It's not uncommon for some policies, like anti-smoking rules and opposition to offshore drilling, to catch fire along South Carolina's environmentally minded coastal communities. The coastline has led the efforts for bag bans in other states, too — North Carolina's Outer Banks area had a special allowance from the state to bar the bags. The N.C. state legislature revoked the ban last year, but Gov. Roy Cooper ultimately vetoed the move.

As Mount Pleasant worked on its ordinance, Town Councilman Jim Owens said he heard from other coastal areas interested in their own regulations.

"When a large municipality the size of Mount Pleasant offers an ordinance people can utilize, that people can use to protect their own communities, it seems to spread the courage through all the communities through the coastal region," he said.

### **Fighting the tide**

A growing tide of bag bans was a worry for the S.C. Association of Convenience Stores, President Brad Poe said. Poe also works for Buck Management Corp., which owns Blue Wave convenience stores and quick service restaurants around the Charleston area. As the stores have experimented with alternative containers in the wake of Mount Pleasant's ban, customers have not always responded well, he said.

Few people showed up to public meetings in Mount Pleasant to oppose the ban. But if the state bill is reintroduced next year, the convenience store group will "absolutely" continue to support it, Poe said.

Converting to paper bags would also prove costly to grocery stores, which are among the biggest users of single-use plastic. Lindsey Kueffner of the S.C. Retail Association said a grocery store typically sees its costs rise by \$50,000 in a year when its municipality bans plastic bags.

Keuffner said her group's members will have to have conversations on what to do after the bill's failure.

Seaholm said he fully expects that more towns will consider bag and container bans before the next legislative session, and said the APBA will work on the local level as that happens. But an open question is whether a new bill would include the original cutoff date for bans — Jan. 31, 2017 — or whether any bans passed in the next year would also be grandfathered in by the Legislature.

Seaholm declined to say whether his group would advocate for a cutoff date that would exclude any new local bans in the next year.

“A lot of that will come down to what the legislators in Columbia want to do,” he said.

**Miami Herald**  
**May 16, 2018**

### **Political spending by utilities has jumped, boosted by opposition to rooftop solar**

<http://www.miamiherald.com/news/politics-government/state-politics/article211235624.html>

Political spending by Florida’s largest electric companies has soared in the last two election cycles, more than doubling what those companies spent in the previous ten years, a new report says.

Florida’s four largest energy companies gave more than \$43 million during the 2014 and 2016 election cycles to state level candidates, political parties and political committees, including \$20 million on the failed 2016 ballot initiative to limit rooftop solar expansion, according to the analysis.

The paper, released by Tallahassee nonprofit research group Integrity Florida Wednesday, documented how state level political spending by the companies ramped up significantly for the 2014 and 2016 cycles, fueled in part by a costly governor’s race and a failed amendment to restrict rooftop solar expansion. The report, drawn from media reports and publicly available campaign finance and lobbying records, was paid for by the Southern Alliance for Clean Energy.

The report follows up on a similar paper — also funded by the alliance — in 2014 that detailed millions in campaign contributions and argued there was favoritism by lawmakers and regulators at the Public Service Commission. The authors also cite findings that regulators allowed companies to bypass a ban on using customer dollars for lobbying by paying dues to trade groups/associations that lobby on their behalf.

The increase in spending is “a significant jump from what we documented in the previous report,” said Brad Ashwell, one of the authors of "Power Play Redux: Political Influence of Florida’s Top Energy Corporations."

The researchers said growing lobbying expenditures and political contributions mean power companies have continued to exert lopsided influence in Tallahassee. The group also issued a slate of policy “options” to increase disclosures of contributions and lobbying spending.

Utility companies strongly criticized the report as a political attack and the alliance as "a dark money group" for not disclosing its own donors. Representatives of the alliance said it files forms with some of its financial information with the government as part of its status as a nonprofit.

The alliance "is an anti-utility group that has sued our company multiple times," said FPL spokesman Mark Bubriski. "For a group that has integrity in their name, you'd think they'd have higher standards."

"It's pretty clear it's a compilation of publicly disclosed campaign finance report material, which is really ironic because the group that's funding this doesn't disclose where their money is coming from," he added.

The alliance has grappled with Florida’s largest utility companies for years. It sued FPL over alleged pollution violations at its Turkey Point nuclear power plant, and has pushed for more electricity options and stricter energy efficiency standards in the state. Florida law currently allows electric utility companies to retain a monopoly in exchange for regulation and a guaranteed rate of return on investment.

According to the report, the state’s top four energy companies — FPL, Duke Energy, TECO and Gulf Power — also spent heavily on their lobbying expenditures and political contributions in the last four years. From 2014 to 2017, the four companies spent more than \$6 million on legislative lobbying. They have also hired about 100 lobbyists, or one for every two state legislators, the report said.

Their contributions to state parties during the last two full election cycles totaled about \$6.2 million. That spending favored Republicans by more than 5 to 1, according to campaign finance data.

The authors also pointed to a 2017 report from the nonprofit Energy and Policy Institute, which concluded that Duke Energy and FPL charged customers for membership dues in trade groups that did political work on their behalf, although energy companies are not allowed to charge customers for lobbying expenditures.

“Regulators are allowing them to bypass that ban by paying dues to trade groups and associations that lobby,” said Ben Wilcox, another author of the report.

Ana Gibbs, a spokeswoman for Duke Energy, did not specifically address the report's findings but said all of the company's political contributions are drawn from shareholders, and that those contributions are publicly reported and comply with campaign finance laws.

Bubriski, the FPL spokesman, slammed the Energy and Policy Institute as another group associated with the alliance and called the 2017 report inaccurate and "literally a rehash."

The report includes a handful of policy suggestions, calling for bans on candidate campaign contributions by a regulated utility and requirements for more disclosure of spending on lobbying and

customer expenses versus shareholder profits. Members of the alliance said such recommendations would increase transparency around power companies' influence in Tallahassee.

"There have been tens of millions of dollars pumped into state races by the state's big power companies," said George Cavros, an energy policy lawyer for the alliance. "Are the policies that benefit power companies to the detriment of customers the result of power company influence or is it coincidence? I'll let you be the judge."