

# MULTISTATE

Lobbying | Tracking | Compliance | Consulting

## Weekly Lobbying Articles

May 31, 2018

Politifact

May 31, 2018

### **Sherrod Brown misleads in lobbyist attack on Jim Renacci in Ohio Senate race**

<http://www.politifact.com/ohio/statements/2018/may/31/sherrod-brown/sherrod-brown-misleads-lobbyist-attack-jim-renacci/>

U.S. Sen. Sherrod Brown's first TV attack ad portrays his opponent U.S. Rep. Jim Renacci as a fan of lobbyists working in government.

"The U.S. Congress. There's 68 teachers, 15 farmers, four pilots but only one lobbyist," says the narrator as a cash register cha-ching sound is heard in the background. "That's right, Jim Renacci has been a lobbyist even while in Congress. And what's he done? He voted to make it easier for lobbyists to hold key government positions and harder to investigate conflicts of interest."

Text on the screen shows this is a reference to the 112th Congress. That timeframe refers to January 2011 to January 2013.

Democrats have long portrayed Renacci as a lobbyist. But what this ad omits is that while he was registered to lobby, there is no evidence he actually lobbied. And in fact, it wouldn't make sense for a member of Congress to work as a lobbyist at the same time. The ad also gives viewers no context about the votes cited.

Brown is one of several Democratic incumbents defending a seat in a state that Donald Trump won in 2016. Trump endorsed Renacci during the primary.

### **'Jim Renacci has been a lobbyist even while in Congress'**

Before being elected to Congress, Renacci primarily worked in the private sector. He owned and operated over 60 entities, according to his Congressional biography, including nursing facilities, a CPA firm, real estate and auto dealerships. (He later said it was his experience losing his dealership in the auto industry bailout when General Motors closed his dealership that prompted him to run for Congress.)

He also served as president on the Wadsworth City Council and then served as mayor from 2004 to 2008.

In 2008, Renacci and two other individuals registered as lobbyists for Smokehouse International Group LTD, named for Smokerise Drive, the street on which Renacci and other partners had offices. They

intended to lobby in areas including defense, aviation, homeland security, and trade, according to their Senate lobbyist registration forms. Renacci filed documents with the House a handful of times between 2008 and 2011 stating that he gave no political contributions while a lobbyist. His campaign spokesman, James Slepian, said that it was a mistake to file the forms since he wasn't lobbying and that it was handled by a lawyer. Slepian told us previously that two business associates wanted to form the firm and Renacci agreed to help because of his background as a CPA. The firm "never got off the ground," Slepian said, "but as a precautionary measure, one of the partners registered all three of them as lobbyists, just in case they ever took on any lobbying clients."

Brown's campaign pointed to his lobbyist registration and a March article by the Associated Press.

The AP quoted Renacci's attorney, Laura Mills, as stating that Renacci never lobbied. She said that he asked her office to deactivate his lobbyist registration in 2009 before he entered Congress.

But the AP found that Mills didn't file the companion form required to deactivate Renacci's registration until 2011, a few months after he took office.

Members of Congress can't lobby Congress or the executive branch on behalf of any private organization or individual "as that would conflict with a Member's general obligation to the public," according to the House Ethics manual.

In addition to it being banned, it defies logic that as a House member Renacci would want to lobby himself and his colleagues as a lobbyist. As a member, he already had the power to draft legislation and seek support from other members for his priorities.

### **Renacci 'voted to make it easier for lobbyists to hold key government positions and harder to investigate conflicts of interest'**

This part of the ad references two votes by Renacci. The first one is fairly circuitous.

The campaign pointed to Renacci's vote on a procedural maneuver related to HR 921 on Nov. 16, 2016. The resolution related to a bill to ban U.S. bank transactions in connection with export of commercial aircraft to Iran. The resolution passed, with all of the Republicans voting in favor and all of the Democrats voting against it.

If the resolution had been defeated, then the minority party — the Democrats — would have had the opportunity to decide what legislation to consider next.

On the Democrats' plate: the No Lobbyists on Presidential Transition Teams Act, HR 6324. That bill, introduced by Rep. John Sarbanes, D-Md., would have prohibited the use of funds to the president-elect "for any services or facilities provided by registered lobbyists." The bill was in response to a move by Trump to put lobbyists in his transition team.

The ad doesn't explain that Renacci never took a direct vote on lobbyist bill -- in fact, it never received any vote.

Joshua Huder, a senior fellow in the Government Affairs Institute at Georgetown, said that the Brown ad is relying on a hypothetical scenario about a tenuous connection. Members in the majority rarely vote "no" on a previous question because that would be handing off power to the minority. That's something that leadership strongly discourages.

The ad also cited Renacci's vote in favor of a change to House Ethics Rules on Jan. 6, 2015. The vote passed along partisan lines: All of the Democrats voted against it, while all but four Republicans voted for it.

The new rules proposed by Rep. Steve Pearce, R-N.M., said that a person who is a subject to a preliminary or second-phase review by the Office of Congressional Ethics shall be informed of the right to counsel and that the person's constitutional rights can't be denied.

Slepian said that Renacci "believes in due process as enshrined in our Constitution and this measure was brought forth to ensure that due process rights are not eroded by bodies within our government."

The rule change drew objections in 2015 from Craig Holman, a lobbyist at the liberal watchdog group Public Citizen. At the time, he felt the rules would inhibit the ethics committee's investigations.

But now that more than three years have passed, Holman told PolitiFact that the House rules didn't "seem to have made much of a difference."

### **Our ruling**

Brown's TV ad said, "Jim Renacci has been a lobbyist even while in Congress" and "voted to make it easier for lobbyists to hold key government positions and harder to investigate conflicts of interest."

Renacci misfiled paperwork about his lobbying activities, but there's no convincing evidence he actually worked as a lobbyist while a member of Congress.

The statement about a vote to help lobbyists hold government positions was not a direct vote. The ad is using circuitous logic on this point.

Another vote involved a rule change that drew concerns from a government watchdog at the time, but the watchdog told PolitiFact that it ultimately didn't make much difference.

The statement omits critical evidence that would give a different impression. We rate this statement Mostly False.

**CBS News**  
**May 29, 2018**

### **The new swamp: Lobbyist tied to Rick Perry seeks bailout for energy firm**

<https://www.cbsnews.com/news/the-new-swamp-lobbyist-tied-to-rick-perry-seeks-bailout-for-energy-firm/>

At a West Virginia rally on tax cuts, President Donald Trump veered off on a subject that likely puzzled most of his audience. "Nine of your people just came up to me outside. 'Could you talk about 202?'" he said. "We'll be looking at that 202. You know what a 202 is? We're trying."

One person who undoubtedly knew what Mr. Trump was talking about last month was Jeff Miller, an energy lobbyist with whom the president had dined the night before. Miller had been hired by FirstEnergy Solutions, a bankrupt power company that relies on coal and nuclear energy to produce

electricity. His assignment: push the Trump administration to use a so-called 202 order — named for a provision of the Federal Power Act — to secure a bailout worth billions of dollars.

Although Mr. Trump didn't agree to the plan — he still hasn't — for Miller, a president's public declaration of interest amounted to a job well done.

How a single lobbyist helped carry a long-shot idea from obscurity to the presidential stage is a twisty journey through the new swamp of Mr. Trump's Washington. Rather than clearing out the lobbyists and campaign donors that spend big money to sway politicians, Mr. Trump and his advisers paved the way for a new cast of powerbrokers who have quickly embraced familiar ways to wield influence.

Miller is among them. A well-connected GOP fundraiser, he served in the past as an adviser to California Gov. Arnold Schwarzenegger and to Texas Gov. Rick Perry, also a close friend. He ran Perry's unsuccessful presidential campaign in 2016. And when Mr. Trump tapped Perry to lead the Energy Department, Miller shepherded his friend through confirmation, sitting behind him, next to the nominee's wife, at the Senate hearing.

When Perry came to Washington, Miller did, too. He launched his firm, Miller Strategies, early last year and began lobbying his friend and other Washington officials.

Besides Perry, Miller is close to other Trump-era power players. He is among House Majority Leader Kevin McCarthy's best friends, their relationship dating back decades to Miller's days in California. In more recent years, Miller developed a friendship with Vice President Mike Pence adviser Marty Obst.

Obst says the two began working closely together when Perry and Pence held leadership roles at the Republican Governors Association several years ago. "He's very influential in Washington, a leading fundraiser," Obst said of Miller in a brief interview.

Now, after 14 months in business, the 43-year-old has collected more than \$3.2 million from a roster of clients that includes several of the nation's largest energy companies, among them Southern Co., a nuclear power plant operator headquartered in Atlanta, and Texas-based Valero Energy, according to federal filings.

Miller also has continued to raise money for GOP politicians. He contributed nearly \$37,000 of his own over the past year to Republicans, including Sen. Ted Cruz of Texas and Greg Pence of Indiana, who's seeking the congressional seat once held by his younger brother, the vice president, according to federal campaign records.

He is an active supporter of America First Action, a pro-Trump super PAC that raised \$4.7 million in the first three months of 2018. That work earned him a spot at dinner with Trump, McCarthy and other GOP donors in the upscale City Center complex blocks from the White House.

"What happened to draining the political swamp?" asks Dick Munson with the Environmental Defense Fund, who said he sees FirstEnergy and other coal operators "grasping" for bailouts to solve problems of their own making. "It seems when you don't have solid arguments, you hire well-paid lobbyists and make huge political contributions."

Miller declined to comment for this story.

Brian Walsh, president of America First Action, said Miller raises money for the group on a volunteer basis. Miller, who lives in Texas, spent years outside of Washington independently developing an "amazing" network of connections, Walsh said. He described Miller as a "straight shooter" and rejected the notion that he is cashing in on Mr. Trump's election and Perry's ascension to energy chief.

"He doesn't play games with people," Walsh said of Miller.

But Tim Judson, executive director of Nuclear Information and Resource Service, an activist group, called Miller's involvement in the bailout request the ultimate "Washington swamp" situation.

"We have a special-interest appeal by FirstEnergy, a top lobbyist dining with the president, and that same lobbyist is raising money for a pro-Trump super PAC and asking for 'emergency action' from someone whose presidential campaign he ran," Judson said.

Miller registered as a lobbyist in Washington in February 2017, just after Trump took office. He was hired by FirstEnergy in July 2017. Lobbying disclosure records show he was paid to target the highest levels of American government: the White House — to include the offices of Mr. Trump and Pence — and Perry's Energy Department. Miller has earned \$330,000 from FirstEnergy since last year, making him one of the company's highest-paid outside lobbyists.

The coal industry's top priority at the time was seizing on the campaign promises Trump had made — he pledged repeatedly to bring back coal jobs — to ask for unprecedented federal assistance.

Ohio-based Murray Energy Corp., the nation's largest privately owned coal-mining company, and its largest customer, FirstEnergy, pushed the Energy Department for an emergency order, a measure typically reserved for war or natural disasters. Among other measures, the intervention would have exempted power plants from obeying a host of environmental laws and would have spent billions to keep coal-fired plants open, an unprecedented federal intervention in the nation's energy markets.

CEO Robert Murray and Charles Jones, CEO of FirstEnergy's parent company, met with Trump in West Virginia to discuss the request, informing the president that the power company was on the verge of bankruptcy.

Despite the high-powered lobbying, Perry rejected the request in August, saying the emergency order wasn't the right mechanism. He offered another option, asking federal energy regulators to approve a plan that would reward nuclear and coal-fired power plants for adding reliability to the nation's power grid. But the independent Federal Energy Regulatory Commission rejected the plan in January, saying there's no evidence that past or planned retirements of coal-fired power plants pose a threat to grid reliability.

Soon after, FirstEnergy began pushing anew for the 202. Miller has visited the Energy Department at least twice since June, including on the day Mr. Trump delivered a speech on his energy agenda at the agency's Washington headquarters.

The company argues the emergency order is needed to prevent premature retirement of coal and nuclear plants that "cannot operate profitably under current market conditions." The proposal would allocate money to subsidize the company and other coal operators — an outcome the company says would avert thousands of layoffs and help ensure reliability of the electric grid up and down the East Coast.

The Ohio-based company filed for bankruptcy in late March, days after announcing it would shut down three nuclear plants in Ohio and Pennsylvania within three years. The announcement followed the planned closure of a West Virginia coal-fired plant, one of a series of closings as the coal and nuclear industries struggle to compete with electricity plants that burn natural gas.

FirstEnergy's bid for the emergency request is widely opposed by business and environmental groups as an unfair tipping of the scales in favor of faltering energy sources.

An independent wholesaler that oversees the power grid in 13 states and the District of Columbia has said the Eastern grid is in no immediate danger. FirstEnergy can shut down its three nuclear power plants within three years without destabilizing the power grid, according to a report last month from the wholesaler, PJM Interconnection.

Still, the push for a bailout continues.

Sen. Joe Manchin, D-W.Va., recently suggested that Perry consider using a Korean War-era defense law to prevent the retirement of ailing coal and nuclear units. The Defense Production Act of 1950 is intended to prioritize industries deemed vital to national security. President Harry Truman used the law to cap wages and impose price controls on the steel industry.

FirstEnergy said it supports the premise, although it says it has not specifically urged Perry to use the defense law.

Perry said the administration is looking at the defense law "very closely," one of several options being considered.

**Village Soup  
May 25, 2018**

**Clean Election candidates from three parties share their views**

<https://knox.villagesoup.com/p/clean-elections-candidates-from-three-parties-share-their-views/1750575>

The seven representatives and candidates belonging to the Republican, Democratic and Independent parties who spoke at a forum May 21 in Thomaston have at least one thing in common: they all abide by Clean Election rules.

They gather small donations from individuals and take no money from lobbyists, businesses or corporations. Six of the candidates running for seats in the Maine Senate and House qualify for public election funding under the Maine Clean Election law. One candidate running for the U.S. Senate is also funding his campaign with small donations from individuals, even though the federal election system does not provide Clean Election funding.

The May 21 forum was organized by Neil Krane, a supporter of Clean Election campaigns and electoral reforms, and moderated by Andy O'Brien, editor of The Free Press. Candidates attending were:

Sen. Dave Miramant, Democrat, District 12, Rep. Abden Simmons, Republican, House District 91, Vickie Doudera, Democrat, running for House District 94, Jeff Evangelos, Independent, running for House

District 91, Ann Matlack, Democrat, running for House District 92, Bill Pluecker, Independent, running for House District 95 and Zak Ringelstein, Democrat, running for U.S. Senate.

Candidates were asked why they choose to use Clean Election funds, and if they would be running for office if that funding did not exist.

Pluecker is a farmer and small-business person from Warren, and is married with two children.

He said he would have run for office without Clean Election funds. "I felt the call and I stepped up," he said. He credited Clean Election funding with making it easier for him to compete, and to be a viable candidate. "It gives me a chance. I don't need to be connected to corporations or to money," he said.

Evangelos is a former two-term state representative and town administrator.

He credited Maine with having "the country's leading program for Clean Election." He talked about the requirement to collect a minimum number of \$5 contributions from individuals to qualify for the disbursement. "You don't owe anybody anything for five bucks," he said. "It's very important that our elected officials can go to Augusta and not owe anybody anything. I always vote my conscience," he said.

Miramant is the incumbent senator for Knox County and the islands up to Isle au Haut. He was elected to the Maine House in 2006, and the Senate in 2014.

He praised the process of collecting small amounts of money, staying away from corporate financing, even staying away from funding from large unions, though he is a union member. "You are beholden to no one," he said. "When someone donates \$5, I make it clear they aren't donating to me. They are donating to the Clean Election Fund. I get credit for the donation, and the Clean Election Fund gives me money."

Miramant is looking forward to the end of Gov. Paul LePage's term as governor, and to returning to Augusta to work with elected officials who want to get things accomplished, he said.

Matlack has served on town and county government budget committees, and as a school board member. She is currently board chairperson for Penquis.

She is happy with how the Clean Election Fund lets people give a small amount of money to seed a campaign. One of her first donations was from a 92-year-old Republican friend. The woman had never before given money to a Democrat, but saw the small donation as an opportunity for her to support Matlack.

Ringelstein is a former teacher who founded an education company with his wife, Leah. Since selling the company, he has worked in education policy and returned to teaching.

He does not take donations from lobbyists, corporations, PACs and "the ultra-wealthy," who, he says, fund campaigns to control policy. "There are groups out there who are funding you, so you can get elected and vote for the policies they are writing."

He said many problems, such as providing health care for everyone, could be solved with "rational discussion," but that our U.S. senators are not making rational legislation because they have sold out.

Doudera is a realtor and writer, mother of three, and has been involved in local organizations, including Habitat for Humanity.

She said she is not sure if she would have run for office if it were not for Clean Election funding. "I think big money in politics is a huge threat to our democracy. I think we have to guard our democracy vigilantly," she said.

"I'm not happy that I vote, and then my votes are ignored," she said. "I think Maine voters are disillusioned. I'm someone who wants to fix that, make a change and make things better."

Simmons is the incumbent state representative for House District 91, and works in the commercial fishing industry.

He said he ran a Clean Election campaign the first time he ran for office, because he does not like asking people for large amounts of money; many who support him cannot afford to do that. He finds that a lot of people are willing to give him \$5. "It's a lot easier for me to ask for, and I'm doing it again this year." He described himself as a Republican who has lived in Waldoboro all his life, and has worked digging clams, offshore lobster fishing and commercial fishing.

He acknowledged that he was the only Republican at the front of the room, and noted that other candidates in the room "say they disagree with the governor." Simmons said that was not his position, but at the same time, he does not always agree with Gov. Paul LePage, or vote with him.

Candidates were asked about improvements to the electoral system.

Simmons finds ranked-choice voting puzzling and he thinks it will be confusing for people who don't spend time thinking about elections. He plans to vote for one person. "You don't think about voting for three people," he said.

Doudera called ranked-choice voting an "interesting experiment," and believes it will be good. She supports the idea of allowing 17-year-olds who will be 18 on or before the election, to vote in primaries. "It's a good idea to get them voting and to keep them voting," she said.

Ringelstein talked about how it is hard for working people to find time to get to the polls. He said another deterrent for people is going to the polls to vote for "a lot of people they don't know anything about." He likes the idea of making Election Day a voting holiday, where "nobody can make you work that day," as well as automatic voter registration. He believes ranked-choice voting will bring "new ideas and new voices into the system."

Matlack would like to see changes to make voting and early voting easier. She said the absentee voting process is too cumbersome for individuals and town clerks. She believes "good candidates engaging with the public is a good way to get people to the polls." She likes ranked-choice voting and hopes it will increase voter turnout, but is frustrated that it has not been fully implemented.

Miramant supports a national popular vote and changes in the system to force the Electoral College to count popular votes. The changes would help people believe that every vote counts, he said. He decried the Electoral College voting system, which allows a losing candidate to get 3 million more votes than the winning candidate.

Evangelos said the Electoral College system "was ensconced in 1787 to protect the interests of the slave states." He believes the country cannot continue with a system that allows the candidate with the most popular votes to lose. He called for the Maine Legislature to go back into session, and finish work on financing the Clean Election program. He supports ranked-choice voting, but hopes it will not take too much time to tally the votes.

Pluecker believes in one voice, one vote. "When one of those voices is made grander and louder because of money, we have to stop that," he said.

Candidates were asked "Why is it that the wealthiest country has half of its population struggling and what needs to be done about it?"

An audience member objected to asking candidates to tackle a question about economic systems, but O'Brien overruled, stating that questions were written by members of the audience. Candidates, who agreed it was a difficult question, took turns responding.

Pluecker said in his district, he sees people struggling to find work, take care of their families, educate their children and run their businesses. He sees "folks who want to work and don't have the ability to find jobs, and folks who are hurt and don't have health care." He believes in finding ways to support the "farmers, fishermen and folks who are making it for themselves."

Evangelos made a plea for listening to the voters, who passed five referendums last year, including raising the minimum wage and expanding Medicaid. He criticized legislators who want to roll back the minimum wage and have not held a vote on Medicaid expansion. He believes health care should be a universal human right, and quoted the late Stephen Hawking who, in one of his last essays, called income equality the biggest threat to democracy.

Miramant talked about the increasing power of conglomerates and consolidation within industries, including private companies buying up public utilities, media conglomerates that "vilified unions," and a 500 percent increase in college costs in the past 30 years.

Matlack spoke about helping people overcome the "stumbling blocks that people can't overcome" and the "little indignities that add up and keep people down." She talked about how a \$400 car repair, childcare needs, or a past history of opioid use could all be stumbling blocks to getting and keeping a job. She cited the "ridiculous licenses" required to set up a business to sell flowers or braid hair and "inequities in our schools where really bright kids are not getting the opportunities to be challenged in their classrooms or supported" as further examples.

Ringlestein said a country that is the richest in the world, where half of the population cannot pay for the basics, does not sound like a healthy democracy. He described decisions made in boardrooms where "the person at the top doesn't have to look into the eyes of the worker." He said corporations and lobbyists have figured out how to buy off politicians. "It's a great return on investment for them, and a terrible return on investment for us." He called for investment in our communities in broadband, hospitals and education.

Doudera sought to inject some hope into the discussion. She said there are a lot of local people who work to lift people up, and help people to help themselves. She cited businesses desperate to hire people, and supports paying a living wage.

Simmons said the lack of a skilled workforce is a big issue. "We need plumbers, electricians, boatbuilders," he said, adding that those who learn a trade get better pay. He expressed support for trade schools, which "get kids prepared for a good life." He said a \$12 minimum wage is not going to solve the problem.

**Newsday**  
**May 29, 2018**

### **Cuomo insider, lobbyist, won't testify at bid-rigging trial**

<https://www.newsday.com/news/new-york/howe-kaloyeros-corruption-trial-cuomo-1.18833974>

Todd Howe, the former lobbyist and Cuomo family insider whose testimony was instrumental earlier this year in the conviction of top governor's aide Joe Percoco, will not be called to testify at the June bid-rigging trial of ex-SUNY official Alain Kaloyeros, prosecutors said Tuesday.

The surprise announcement could spare Gov. Andrew M. Cuomo awkward testimony from a man who exploited ties to the governor and close aides going back 30 years. It also appeared to be a concession to Howe's controversial mixed performance as a cooperating government witness at Percoco's trial, which ended with Howe being jailed amid questions about his credibility.

"I am proud that the U.S. attorney's office has concluded, albeit belatedly, that Todd Howe is not worthy of belief," said Paul Shechtman, a defense lawyer for Buffalo construction executive Louis Ciminelli, one of the defendants in the upcoming corruption trial.

Howe, 58, of Washington, D.C., a lobbyist who worked earlier in his career for both Cuomo and his ex-governor father, Mario, testified at the Percoco trial that he arranged bribes from two lobbying clients — an energy company and a Syracuse developer — to Percoco in return for his influence.

In the upcoming Kaloyeros case, Howe had been expected to testify he was a central player in a scheme by Kaloyeros to keep his high-paying post as head of SUNY Polytechnic Institute by rigging bids for multimillion-dollar state projects in Syracuse and Buffalo to favor major Andrew Cuomo donors.

But Howe's credibility was severely damaged at the earlier trial. He was forced to admit he spent two decades as a deadbeat, stiffing dozens of creditors, had committed bank theft, and embezzled from his lobbying firm in addition to bribing Percoco, and had tried to cheat his credit card company in violation of his plea deal with the government.

Howe was jailed in the midst of his testimony and has remained there since February. Percoco and another defendant were convicted, but jurors also acquitted a Syracuse developer and deadlocked on charges against an energy executive implicated by Howe.

According to the indictment of Kaloyeros, Ciminelli, Ciminelli aide Michael Laipple, and Syracuse developers Joseph Gerardi and Steven Aiello, Howe was hired by Kaloyeros as a “consultant,” served as liaison to Cuomo’s senior staff, and got fees from both the Syracuse and Buffalo developers and helped coordinate their campaign contributions.

Although lawyers predicted his absence will leave the upcoming trial without a central narrator, the government signed up another witness earlier this month when Kevin Schuler, a former executive at Ciminelli’s construction company, pleaded guilty and agreed to cooperate.

No date has been set for Howe’s sentencing on the bribery scheme involving Percoco. His lawyer did not return a call for comment.