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Malliotakis: Lobbyists call the shots with de Blasio, pay-to-play must stop

http://www.silive.com/news/2017/08/malliotakis_lobbyists_call_the.html

Assemblywoman Nicole Malliotakis called out Mayor Bill de Blasio on his lack of transparency, "pay-to-play" dealings and criticized his relationship with "mega-lobbyist" Jim Capalino at a press conference at Rivington House on the Lower East Side on Wednesday.

"It's time for Bill de Blasio, the most ethically challenged mayor in recent history, to get honest with the voters and explain who calls the shots in his relationship with lobbyist Jim Capalino," Malliotakis said, standing alongside the Republican nominee for Public Advocate, J.C. Polanco.

The de Blasio campaign fired back, calling Malliotakis a hypocrite.

"Nicole Malliotakis, a former registered lobbyist, just accepted a maximum contribution from the landlord lobby and has never disclosed a cent of donations that were bundled for her by lobbyists when she ran for State Assembly four times. This is the height of hypocrisy and another silly stunt to distract from her support for Donald Trump and ties to the billionaires who fund the so-called 'alt-right,'" said Dan Levitan, a spokesman for de Blasio's re-election campaign.

Calling de Blasio "the most ethically challenged mayor in recent history," Malliotakis said he's guilty of allowing the Rivington House to be turned into luxury condos.

Malliotakis campaign spokesman Rob Ryan said, "Bill de Blasio must be getting nervous, because now his spokesman is throwing mud and making false claims that Assemblywoman Malliotakis was a 'registered lobbyist' and that she's accepted donations "that were bundled for her by lobbyists." The Mayor and his campaign spokesman should apologize immediately; they're lying and they know it. Nicole Malliotakis was never a registered lobbyist and has never received bundled donations from lobbyists. The de Blasio campaign is simply trying to change the subject because they know that Bill de Blasio has been compromised by fat-cat lobbyists like Jim Capalino."

"For decades the [Rivington House] property was restricted and could only be used to a nonprofit residential health care facility. Enter Capalino, and two deed restrictions are lifted to allow the health care facility to be turned into luxury condos," she said.

"Bill de Blasio was right; there is a tale of two cities and it's Bill de Blasio's donors and friends vs. the rest of us," she said.

The Assembly member is calling for a ban that would prohibit lobbyists, like Capalino, from bundling campaign contributions, as well as "public disclosure of all city employees lobbied on behalf of a client."

She also wants to prohibit city officials soliciting lobbyists and lobbyists from offering city officials funding for ceremonies and events.

The Carolinian
August 23, 2017

Governor Cooper accused of accepting illegal donations

<https://carolinianuncg.com/2017/08/23/governor-cooper-accused-of-accepting-illegal-donations/>

Governor Roy Cooper was accused of accepting illegal donations by the North Carolina Republican Party on Aug. 9, which allegedly happened at an event held with the North Carolina Advocates for Justice (NCAJ) at Sunset Beach in June.

The event, a trial lawyer's convention which included a reception that honored Cooper, was held on June 18. Various hosts donated to Cooper's campaign and raised \$50,000 which the North Carolina GOP is claiming to be unlawful.

"Our opponents, the Democrats, have a lengthy history...of not being transparent or following the rule, and letter of the law," said Robin Hayes, the North Carolina Republican Party Chairman, at a press conference. "Apparently Gov. Cooper and the Democrats do not go by the same rules we do."

Campaign finance laws in North Carolina state that politicians are not allowed to solicit donations for campaigns from lobbyists or certain political action committees (PAC) while state legislature is still in session. In 2017, the session did not end until June 30, twelve days after the event took place.

"You cannot do it," said Hayes at the press conference. "You can't raise money while the legislature is in session."

On the other side of the aisle, Cooper and his team claim they did not violate any law during the event. Representatives of the NCAJ said that Cooper's campaign organized and paid for the fundraiser and that it was not a PAC event.

"This is a baseless complaint that just happens to come out on a day that public polling numbers were released showing that Governor Cooper has strong statewide approval ratings," said Morgan Jackson, the campaign spokesman for Cooper in a statement. Cooper's approval ratings are currently around 53 percent, according to the Morning Consult.

Despite the accusations being called "baseless," the North Carolina GOP, led by Hayes, is now calling for a formal state investigation into Cooper's actions at the conference. Many of the donors at the event were on NCAJ's board which led to suspicions of the PAC itself soliciting the donations.

"When you don't follow the law, it's a major concern," said Hayes.

Hayes called for the investigation to be done by the North Carolina Bipartisan Board of Elections and Ethics Enforcement which currently has no members; Cooper has yet to appoint any members and is a part of a lawsuit against the parent law of the board, as it is believed that it violates the separation of powers.

"Might we think that the governor is dragging his feet on that board of elections so there is no official body to look at these kinds of infractions, and breaking of the rules?," said Hayes.

The most recent campaign finance law investigation of this nature occurred in 2010. Mike Easley, governor from January 2000 to January 2009, became the first North Carolina governor to plead to a

felony. He paid a \$1000 penalty in response to failure to report use of campaign funds. Cooper could see a similar fate, though punishments to violations vary depending on the case.

“Most violations of the Federal Election Campaign Act (FECA) result in civil penalties—fines arrived at through a conciliation process,” stated the Federal Election Commission’s website. “Knowing and willful violations of certain FECA provisions can lead to imprisonment.”

Houston Chronicle
August 22, 2017

Debate intensifies over Texas Cities using tax dollars to lobby legislature

<http://www.houstonchronicle.com/news/politics/texas/article/Debate-intensifies-over-Texas-cities-using-tax-11951361.php>

In the run-up to this year's Texas legislative session, Mayor Sylvester Turner decided to switch Capitol lobbying firms.

In was Hillco Partners, considered by many the most powerful player in Austin lobbying. Out was a firm led by a political adviser to House Speaker Joe Straus.

What didn't change was the monthly fee that the city pays when legislators are in session - \$110,639. In return for that hefty fee, city officials expect representation for Houston taxpayers by lobbyists with expertise, clout and deep ties to legislators and high-ranking state officials.

Houston isn't alone in paying big bucks to lobby state government. San Antonio, Dallas, Austin, and Fort Worth all also use outside lobbyists, commonly referred to as "hired guns," to advance their legislative agendas and kill bills they oppose.

Taxpayers in those five cities collectively have paid about \$5 million to lobbying firms since 2015, but information is sparse because the state does not maintain a database on lobbyist expenditures by local governments. Businesses and other special interests spend vastly larger amounts on influencing the executive and legislative branches, but the state keeps no data on that either.

Houston also spends hundreds of thousands of dollars each year on governmental relations staffers who are not registered as lobbyists.

Some longtime conservative operatives - including Peggy Venable, who was President Ronald Reagan's education liaison - believe big cities and other local governments should be barred from spending tax dollars on lobbying.

Texas State Capitol in Austin. Staff photo by Delcia Lopez Corruption in state governments? Researchers turn to reporters Cities, counties rally to oppose proposed tax reforms Lt. Gov. Dan Patrick speaks during the service on Sunday, May 21, 2017, at Woodlands Grace Church in The Woodlands. Dan Patrick: Democratic mayors doing a 'terrible job' Lt. Gov. Dan Patrick contends that a lot of good was done in the special session, especially on abortion issues. "I don't know if you can find a legislative body in the history of this country that passed so many pro-life bills in 30 days." A behind-the-scenes look at the special session.

Venable, now a senior visiting fellow at the conservative Texas Public Policy Foundation, said taxpayers should not have to foot the bill for lobbying that advocates against their interests, such as cities lobbying against bills that could lead to lower taxes.

"Our tax dollars are being used against us, and we have absolutely no say in what these lobbyists are doing and no knowledge of the details of the issues they are working on," said Venable, the former state director for Americans for Prosperity.

Cities and other local governments "deserve a seat at the table" when legislators make decisions, said Bennett Sandlin, general counsel of the Texas Municipal League, which lobbies on behalf of cities.

"Mayors are busy filling potholes and putting out fires. It's unrealistic to expect a mayor to keep up with 6,500 bills filed during a regular session," he said.

The debate over whether tax dollars should be tapped for lobbying state government has intensified this year as Republican leaders have sought to limit the powers of municipalities.

In a recent interview with the Fox Business Network, Lt. Gov. Dan Patrick said citizens are "happy" with state governments, but not city governments.

"Our cities are still controlled by Democrats. And where do we have all our problems in America? Not at the state level run by Republicans, but in our cities that are mostly controlled by Democrat mayors and Democrat city councilmen and women. That's where you see liberal policies. That's where you see street crime. The only place Democrats have control are in our cities and they are doing a terrible job," Patrick said.

At a Bell County Republican Party dinner last June, Gov. Greg Abbott, who has referred to ordinances such as Austin's to protect tree cutting as "socialistic," lashed out at the capital city.

"Once you cross the Travis County line, it starts smelling different. And you know what that fragrance is? Freedom. It's the smell of freedom that does not exist in Austin, Texas," he said.

Hiring heavyweights

Texas' five largest cities have hired some of the most powerful lobbyists to defend themselves against Abbott, Patrick, and the GOP-controlled legislature and also to advance their interests.

Turner was the driving force behind hiring Hillco Partners last October to lobby for the city.

Bill Kelly, Houston's director of government relations, said Turner, knowing he had to pass pension reform, wanted to work with the firm he had the "best working relationship with, and City Council agreed by unanimously approving the contract."

Hillco was founded by political communications specialist William J. Miller and Neal T. "Buddy" Jones, former chief of staff to House Speaker Gib Lewis.

Hillco also lobbies on water utility issues for Dallas.

A proposed \$5.9 million bike and pedestrian bridge in East Houston's Mason Park will allow visitors to safely cross Brays Bayou and better access trails. Hike and bike trail extensions coming to four bayous C.J. packs-up belongings from his corner along St. Emmanuel and Congress street on Wednesday, July 13, 2011, in Houston. A downtown neighborhood whose residents say they are besieged by legions of addicts, sex offenders, the mentally ill and the otherwise down and out has become the center point of a discussion on what to do about the homeless in Houston. Residents of the East Downtown neighborhood just across U.S. 59 from Minute Maid Park have petitioned the city to prohibit sleeping or sitting on sidewalks in a 220-acre area surrounding the future site of the Houston Dynamo soccer stadium. They hope it will rid their streets of the public urination, defecation and even sex that they have witnessed while walking their dogs or looking out the windows of their loft apartments. But some council members say banning sidewalk sleeping in a small area just alleviates a symptom without treating the real disease of homelessness that has by some estimates 13,000 Houstonians living without

fixed address. District I Councilman James Rodriguez, who represents the neighborhood and is championing what's called an expansion of the civility ordinance, called the folks who have moved into the neighborhood "pioneers." (Mayra Beltran / Chronicle) Council extends rules blocking sitting, lying on sidewalks Federal court blocks city's ban on unauthorized homeless camps Houston Mayor Sylvester Turner delivers his annual State of the City address at Marriott Marquis Hotel Thursday, May 4, 2017, in Houston. (Yi-Chin Lee / Houston Chronicle) Debate intensifies over Texas cities using tax dollars to lobby Appeals court voids \$205K invoice paying Paxton's prosecutors

Focused Advocacy - founded by former House member Curtis Seidlits, an ex-senior vice president of public affairs for the power giant Energy Future Holdings - lobbies for San Antonio and Fort Worth.

And McGuireWoods Consulting, which has offices in six states and Washington, D.C., represents Dallas and Austin. Kwame Walker, a vice president for state government relations, is a former general counsel to state Sen. Royce West, D-Dallas.

The state's five largest cities - Houston, San Antonio, Dallas, Austin, and Fort Worth - spent \$2.4 million on lobbying from July 1, 2014 to July 2015, according to records obtained by the Houston Chronicle with public records requests. That spending climbed slightly in 2016-2017, to \$2.5 million.

That amount could increase if state leaders continue to restrain the power of cities, but "cities are pretty strapped for funds," said Brandon Rottinghaus, a political science professor at the University of Houston.

"Democrats are winning the big cities and that is one thing the Republicans can't control at the Capitol. The best that they can do is to limit what those jurisdictions can do in terms of policy. When Republicans quash local efforts to innovate, it limits the ceiling for local leaders to emerge as statewide leaders," Rottinghaus said.

Turner said he was proud of the results from the city's lobbying team during the regular and special sessions.

"You can imagine with my background, I fielded many calls and messages from friends and made several trips to Austin during this session," the mayor said in a written statement. "I am concerned about the attacks on local control that some in the Legislature have advanced. Republicans and Democrats have recognized the government closest to the people continues to be the most responsive, and I thank the members who respect that principle."

During the regular session, city government devoted most of its lobbying effort to the pension reform law that took effect July 1. The measure is intended to pay down the city's \$8.2 billion pension debt over 30 years by issuing \$1 billion in pension obligation bonds, cutting retiree benefits by \$2.8 billion and capping future costs if the market dips.

The city worked with state Rep. Carol Alvarado, D-Houston, to add a definition of "improvised explosive device" to the state penal code after Houston police encountered a person trying to sell parts of a pipe bomb at a gun show last year in the George R. Brown Convention Center, said Kelly, the city's director of government relations.

Hillco successfully lobbied in favor of a bill to create two special purpose districts around NRG Stadium to sell bonds and impose fees and taxes to aid development projects.

Hillco also is the lobbyist for the Texans pro football team.

Losing some battles

But there also were major defeats for Houston.

The city opposed the so-called sanctuary cities bill during the regular session and officials felt they were making progress until the House amended it to change the time when a law enforcement officer could ask about a person's immigration status from "legally arrested to legally detained," Kelly said. That change will allow officers to make such inquiries during routine traffic stops.

Police Chief Art Acevedo and members of the city's government relations team urged Sen. Charles Perry, the Lubbock Republican who carried the bill in the Senate, to reject the amendment - but to no avail.

The city lobbied against a bill that ended city regulation of ride-sharing companies and replaced it with state control. The bill, which Abbott signed into law, bans the fingerprinting requirement for what Houston refers to as "transportation network companies," but the impact was even deeper.

Kelly said Houston's ordinance required ride-sharing, taxi, and limousine companies to provide a minimum number of vehicles equipped to handle electric wheelchairs. The state law wiped out the city's requirement and "replaced it what is effectively no requirement," according to the city's website.

Hillco also lobbied against the bill that would require the state's largest cities to hold a public vote before they annex surrounding property. Abbott signed the measure into law last week.

In response to the Chronicle's public records request on lobbying expenditures, the city provided records on the annual salaries of the government affairs employees in the mayor's office that total \$336,633 this year.

Those employees, including Kelly, are not registered lobbyists. That enabled them to sit down with state Sen. Konni Burton, the Colleyville Republican who has a policy against meeting with government-funded lobbyists.

Kelly said he and Jesse Ozuna, the city's assistant director for government affairs, and Houston police officials met with Burton to outline concerns about her bill to repeal civil forfeiture. That practice allows law enforcement officers to seize personal property without filing criminal charges against the owner.

Houston officials explained how the bill could impair the seizure of vehicles with multiple compartments to conceal drugs and cash, offered expert witnesses for hearings, but "we were not trying to lobby her by buying dinners or making contributions," Kelly said.

Opening doors, minds

Lobbyists who specialize in state government are needed because of their relationships with legislators and policy expertise, Kelly said.

"They are able to help open those doors and open those minds," he said.

But lobbyists hired with the "people's tax dollars" - either working for firms or associations like the Texas Municipal League - are unnecessary, said Burton, because local governments can use their elected officials and employees to explain their constituents' needs. Houston, for example, used 179 city employees as "legislative liaisons" to track bills affecting their departments.

Burton filed a bill during the regular session to prohibit local governments from using taxpayers' funds to lobby state government. The bill was dead on arrival. It didn't even get a hearing in a Senate committee.

She also sponsored a bill requiring the governing bodies of local governments to vote in open session if they want to fund lobbying efforts with public dollars. Burton said the goal was to make it easier for citizens to track lobbying expenditures. The Senate passed that bill, but it died in a House committee.

Venable, the senior visiting fellow at the Texas Public Policy Foundation, said she isn't giving up her efforts to convince the Legislature to prohibit local governments from using tax dollars to hire lobbyists.

"I have been told that 'you will never get this because these lobbyists are too powerful.' And that makes me double-down, because then we're in the worst situation if we as taxpayers cannot challenge this good ol' boy system," she said.

Tallahassee Democrat
August 22, 2017

Adam Corey withdraws from lobbying Florida Capitol

<http://www.tallahassee.com/story/news/2017/08/22/adam-corey-withdraws-lobbying-florida/591498001/>

A Tallahassee lobbyist at the center of an FBI investigation into local redevelopment deals and a co-owner of the city-subsidized Edison restaurant abruptly withdrew from lobbying for all of his clients at the state level.

Adam Corey canceled his lobbying registration with the state on Monday, according to online lobbyist registration records. So did Cody Schwarz, vice president of Corey's lobbying firm, Unconventional Strategies.

Corey was among eight local business people named in federal grand jury subpoenas served in June at City Hall and the Tallahassee Community Redevelopment Agency. The Edison restaurant also was named in He is a longtime friend of Mayor Andrew Gillum and served as treasurer for his 2014 mayoral campaign.

Corey's clients included PNC Financial Services Group of Pittsburgh, Pennsylvania, and San Felasco Nurseries of Gainesville, a medical marijuana grower, and Igniting Florida, which lobbies on behalf of San Felasco.

It was not immediately clear whether Corey had withdrawn from lobbying the city and Leon County. Both he and his firm are listed on city and county online lobbying registration records.

His clients on the local level included Rick Kearney, founder of Mainline Information Systems, Gordon Thames and his Arbor Properties company, Rogers, Gunter and Vaughn Insurance and the Florida Restaurant & Lodging Association.

He did not immediately return a phone call seeking comment. No one answered the phone or the door at Unconventional Strategies' office on All Saints Street.

Corey has been keeping a low profile this summer since news broke of the subpoenas and the FBI investigation into possible public corruption. The investigation has been going on since at least August 2015, when a purported developer from Atlanta named Mike Miller first appeared in Tallahassee.

Miller is believed to have been an undercover FBI agent working with two others using the aliases Brian Butler and Mike Sweets. Corey opened doors for Miller, introducing him to a host of public officials, including Gillum and several county commissioners.

Last week, a photograph publicly surfaced showing Gillum, Corey and Miller riding together on a boat last year in the New York Harbor near Liberty Island. Gillum has said he did not know at the time that Miller may have been a federal agent.

Gillum, who's running for Florida governor, has said he met with the FBI in June and was told he was not a target of its investigation. During an event Saturday at the Hotel Duval, he talked to reporters about his friendship with Corey, though he didn't mention him by name.

"One of the folks on the subpoena I've known for 20 years," Gillum said. "We were friends back in student government days. And I can no more disown that relationship than he can disown me in that."

Corey, a Tampa native, graduated from Florida State University and became an influential lobbyist, a fundraiser for the Seminole Boosters and a driving force behind restaurants including The Edison and the now-defunct 101 on Kleman Plaza. He served until recently as vice president of the Tallahassee Downtown Improvement Authority.