

MULTISTATE

Lobbying | Tracking | Compliance | Strategy

[State Rule Would Disclose Hidden Backers Of Groups Trying To Influence Legislation](#)

The Oklahoma Ethics Commission is proposing to close a gap in state campaign finance laws that keeps certain funding and spending on efforts to influence legislation a secret.

Although sources and amounts of money are typically required to be disclosed when groups seek to influence an election involving candidates or state questions, little must be revealed when a group tries to push or oppose state legislation.

The proposed rule before the Ethics Commission would mandate certain disclosures for groups that pay for communications about pending legislation. It comes in the wake of several well-organized and well-funded campaigns about legislative bills, such as the Step Up Oklahoma package of tax increases and the efforts to stop or defend tax incentives for wind generation.

Chances of approval by the commission and acceptance by the Legislature are unclear. Several well-known organizations that have funded anti-tax campaigns in the state quickly issued statements opposing the proposed rules, citing First Amendment concerns.

Rep. Meloyde Blancett, D-Tulsa, asked the Ethics Commission to develop the rule earlier this year. The measure, which is being sponsored by commission Chairwoman Karen Long, was introduced at Friday's commission meeting. Commissioners delayed action to gather additional public comment. The proposal could be back before the commission at its Jan. 11 meeting.

Executive Director Ashley Kemp said the commission already requires disclosures about who funds candidate campaigns and state questions, so the proposal just adds another category for what's called "indirect lobbying" at the Legislature. Unlike rules for paid lobbyists, it wouldn't require registration of the group before the advocacy efforts.

Other states have similar disclosure rules, which have survived federal court challenges.

“The concept isn’t new, but the idea of the state of Oklahoma requiring some kind of disclosure for that activity is new,” Kemp said at Friday’s commission meeting. “Since we have fairly tried and true reporting methods and concepts and procedures in place for campaign finance, we just mirrored that process.”

Blancett spoke in favor of the rule at the meeting, saying she has been curious about which groups were funding advertising about legislative issues.

“I think the citizens of Oklahoma have been bombarded with a barrage of anonymous, issues-oriented, very sophisticated messaging campaigns to persuade voter behavior,” Blancett said.

The proposal drew criticism from lobbyists and representatives of several groups, including the [American Legislative Exchange Council](#), [Americans for Prosperity-Oklahoma](#) and the [Oklahoma Council of Public Affairs](#). They worried the disclosure requirements could curtail First Amendment protections for free speech and political activity.

Attorney A.J. Ferate, who presented comments and letters from ALEC, the [Institute for Free Speech](#) and People United for Privacy, said the U.S. Supreme Court in 1958 protected the NAACP’s membership list from being disclosed to Alabama. The state had tried to stop the civil rights organization from carrying out activities there.

“Anonymous speech is free speech as well, and the road you’re going down is a concerning one from the concept of history,” Ferate told the commission. “What I feel you’re trying to do is create a chilling effect on the activities that belong in public discourse.”

Lobbyist Dawn Watson told the commission she worried the rule could affect nonprofit organizations, which frequently ask their members to contact lawmakers about legislation via preformatted “action alerts.” She asked the commission to keep that in mind as it considers the rule.

“The idea behind a lot of this type of communication is to actually increase the involvement of real people in government,” Watson said. “The reason templates are provided is because they aren’t savvy with communicating with legislators and have a little fear there, so you provide them with a little training and background.”

Kemp said she worked with Blancett on the rule, and also sought the advice of Rick Tepker, a professor of constitutional law at the University of Oklahoma. Officials also consulted with the [Brennan Center for Justice](#) at New York University.

Washington has had a rule on [indirect lobbying](#) that has survived several court challenges, including one in 2013 on [procedural grounds](#). Another 35 states have some kind of disclosure requirements for grassroots lobbying.

Emphasis on Disclosure

“There seems to be a real push in the case law to go away from restricting certain activity, but to go ahead and require disclosure. And that’s reasonable,” Kemp said. “It’s not necessarily providing a chilling impact on the ability to speak. It’s just giving legislators and the public the opportunity to know who is the source of this particular attempt to influence this specific piece of legislation.”

Tepker said courts typically employ balancing tests when they decide First Amendment cases. He said the Oklahoma proposal on indirect lobbying doesn’t impose spending limits on legislative advocacy campaigns, nor does it discriminate against a particular viewpoint. In that respect, its disclosure requirements are similar to those that already apply to campaigns for state questions.

“This is about corporate, organized efforts to influence the Legislature indirectly through the news media,” Tepker said.

Blancett said she’s hopeful the indirect lobbying disclosure rule will properly balance free speech with disclosure on who’s funding legislative campaigns.

“My objective is not to chill free speech at all. If anything, it’s to further enable all our citizens to know what’s being said and who’s saying it,” Blancett said.

[Sununu, inner circle received thousands from lobbyist-funded nonprofit](#)

After Gov. Chris Sununu’s election win in 2016, lobbying firms and corporations wrote big checks to his inaugural party committee, helping raise an impressive \$450,000 to celebrate the state’s first Republican governor in 12 years.

Over the course of three nights that January, Sununu celebrated his victory with inaugural galas in the ballrooms of Portsmouth, Nashua and Bretton Woods hotels. In the traditional fashion, hundreds of lawmakers, lobbyists and campaign workers enjoyed live music, posed for photos, made champagne toasts and ate multi-course meals at tables decorated with hand-crafted art.

But when all the festivities were finished, there was still money left over in the accounts of The Sununu Inaugural Celebration Inc., a 501c(4) nonprofit organization set up to pay for the parties.

And most of the surplus funds, according to the organization's financial reports, have since been paid out to Sununu, his immediate family and his closest advisers.

The transactions create the appearance of conflicts of interest and improper profiteering, tax attorneys and government ethics experts say, and raise a number of legal questions.

The Sununu Inaugural Celebration Inc. has paid the governor \$39,360 over the last two years. All the payments came after his inaugural parties were over and the most recent, for \$1,277, was dated Sept. 14, 2018.

The explanations for the payments are vague. Reports filed with the Secretary of State's office simply state the purposes as "expenses" or "travel."

The inaugural fund also paid out \$1,061 to Sununu's father, John, a former governor himself, for "van rental/gas reimbursement" and a further \$1,049 to Sununu's wife, Valerie, for "Easter egg hunt expenses."

In total, the fund has doled out more than \$165,000 to Sununu's family, friends and advisers. It still has more than \$40,000 in its coffers, according to its November report. Through a spokesman, Sununu declined to answer questions for this article, instead referring them to Paul Collins, his senior adviser and treasurer of The Sununu Inaugural Celebration Inc.

Collins declined to provide receipts or specific explanations for dozens of payments from the committee to himself and Sununu.

"Everything that Chris Sununu has been reimbursed for has been as a result of his duties as governor," Collins said, adding, "We're a private, not-for-profit organization and we operate as does any such organization. It is not standard practice to turn over receipts, invoices, or those types of things. As I've said, we comply with the law and we will continue to do so."

Sununu's sister was paid

The inaugural committee is chaired by Sununu's sister, Catherine.

Neither she nor Collins took salaries from the organization, but both have received large sums of money from it as vendors.

Blue Orchid Interiors, an interior design company owned by Catherine Sununu, has received more money from the organization than any other person or vendor — \$50,188 for "expenses," "supplies and decor," and consulting. Its biggest check, \$37,900 for "inaugural fundraising/consulting," was written March 30, 2017, two months after the last inaugural party.

The company, which was registered in 2008, has no website and the listed phone number is out of service.

Reached briefly on her personal phone, Catherine Sununu said her company received \$50,188 because she had planned all the inaugural celebrations on her own. She did not respond to multiple follow-up requests for information.

“There wasn’t a committee working on it; I did everything,” Catherine Sununu said. But several of Gov. Sununu’s advisers were paid for similar tasks, according to the expenditure reports. Collins received a \$37,900 check on March 30, 2017, for “inaugural fundraising/consulting.”

Between Jan. 30, 2017, and Feb. 26, 2018, he received an additional 11 checks from the committee for a total of \$47,755. Most of them were for “expenses,” according to the expenditure reports.

Federal law prohibits directors of 501c(4) entities from profiting from the organization unless they provide a service, at fair market value, that furthers the nonprofit’s social welfare purpose.

Sununu’s committee is not the only one to draw scrutiny. The 501c(4) behind President Donald Trump’s inauguration committee is currently under criminal investigation for mispending, The Wall Street Journal reported on Thursday.

“Any time insiders (at a nonprofit) are getting paid a lot of money, that’s a yellow flag because for those transactions, inherently there’s a conflict of interest,” said Lloyd Hitoshi Mayer, a nonprofit tax expert at Notre Dame Law School.

Without receipts explaining the payments from Sununu’s committee, Mayer couldn’t determine whether they violated the law but he said they are worthy of further inquiry.

“The question would be: Are the services the business provided worth what the nonprofit paid for them?” Mayer said. “Why was the governor’s sister’s company chosen? Was it the best one? Did it offer the best price?”

As a nonprofit, the committee is required to maintain detailed records of its expenses and make them available to the IRS for an audit. If the IRS were to determine that the payments were for personal gain or not at fair market value, it could fine Catherine Sununu and Collins and force them to pay back the money with interest, Mayer said.

“On the tax side, it seems a little questionable in that the purpose of the 501c(4) — a charitable organization that’s supposed to be performing a social welfare function — is not supposed to be channeling funds to the people who run it,” said Richard Briffault, a government ethics and corruption expert at Columbia Law School.

“This does sound like an issue of gifts. And coming from people that do business with the state, and it’s clear that’s where they’re coming from, that’s the kind of thing that raises ethical concerns,” he said.

‘No potential for a conflict’

Collins said the inaugural committee’s surplus money was used to pay for official government activities that taxpayers wouldn’t otherwise cover.

“Surplus inaugural funds have been used on a variety of official travel by the governor

and staff, such as to attend meetings of the National Governors Association and events throughout the state” as well as paying for coffee with the governor and events like the annual Easter egg hunt, Collins wrote in an email. “As the inaugural committee does not have a credit card, the governor and staff must sometimes spend their own money for the things previously noted and are then reimbursed by the committee.”

Sununu’s travels in particular required hefty reimbursements — \$4,438 on Sept. 22, 2017; \$6,616 on Jan. 5, 2018; and \$5,039 on Feb. 15, 2018, among others. Beyond referencing a trip to the National Governors Association meeting, Collins declined to say where Sununu traveled at the committee’s expense and why.

New Hampshire’s ethics law restricts what kinds of gifts public officials and their family members can accept. And state employees, including the governor, must file disclosure forms when they are reimbursed for certain travel, lodging, and other expenses by third parties.

During his time in office, Sununu has not filed any gift or travel reimbursement disclosures, according to the Secretary of State’s records, despite receiving \$19,716 from the inaugural celebration organization for travel.

John Formella, the governor’s legal counsel, sent the Union Leader a letter laying out several reasons he believes Sununu does not need to file reimbursement or gift disclosures relative to the inaugural fund.

Gov. Maggie Hassan, Sununu’s predecessor, did not file any reimbursement reports, Formella wrote. Hassan wasn’t required to disclose payments from her inaugural committee, so it is unclear if she ever received money from it in the first place.

Formella also said the public’s desire for transparency is satisfied by the fact that Sununu’s inaugural committee filed expenditure reports.

“No potential for a conflict of interest arises when a governor uses surplus funds from his own inaugural fund to cover expenses associated with his official duties,” he wrote. “This is because the governor’s inaugural committee is not a private interest or a third party that has separate interests from the governor himself.”

Big donors

The money that swelled The Sununu Inaugural Celebration Inc.’s accounts came from companies and lobbyists with important business before Sununu’s administration.

Several of the same players did the same for former Gov. Maggie Hassan.

Eversource was one of three \$25,000 contributors to the Sununu inauguration committee. The company is one of the main energy suppliers in the state and has been waging a tumultuous legislative and legal battle for approval of the \$1.6 billion Northern Pass transmission line.

The state Site Evaluation Committee rejected the project, but Sununu has been a consistent backer of Northern Pass, which is now the subject of a state Supreme Court case.

“We have been proud to support every New Hampshire governor’s inaugural celebration as far back as we can recall ... (it) is part of our work as a local New Hampshire business to help serve the neighborhoods where we work and live,” said Eversource spokesman William Hinkle, a former Hassan staffer.

Centene Management Company, which manages Medicaid plans under one of the most lucrative contracts in state history, also contributed \$25,000 to the inaugural committee.

Since it was first approved in 2012, Centene’s billion dollar contract has been renewed several times, most recently in June by Sununu and the Executive Council.

And the Gallagher, Callahan & Gartrell law firm, the third \$25,000 donor to the committee, regularly lobbies state government on behalf of dozens of clients, including Eversource, the New Hampshire Bankers Association and a health insurance industry group.

The \$10,000 and \$5,000 donor clubs included other energy providers, lobbying firms, a tobacco company and many large corporations.

Checks cut to lobbyists

Lobbyists that helped raise money for the inaugural celebration have also benefited from the leftover funds.

The committee wrote a \$9,500 check for “inaugural fundraising/consulting” to Jamie Burnett, a Republican strategist with close ties to the Sununu family who was a registered lobbyist at the time of the payments. He continues to lobby on behalf of clients, including Eversource.

The Stump Group, a consulting firm owned by Sununu campaign adviser Patrick Griffin, also received \$10,000 for “fundraising and communications” from the inaugural committee. While Griffin is not currently a registered lobbyist, he is the CEO of Merrimack Potomac + Charles, which employs lobbyists.

A Washington, D.C., consultancy, 1735 Group, also received \$9,500 for fundraising. Those payments all came several months after Sununu took office. Griffin and 1735 Group were all being paid simultaneously by The Sununu Inaugural Celebration Inc. and the governor’s campaign fund.

The state’s Executive Branch ethics law states that no public employee shall be employed or have an ownership interest in an entity that also pays lobbyists.

Neither Sununu nor Collins received salaries from the inaugural committee, but they did receive money from it.

Light regulation

Sununu is the first New Hampshire governor who has been required to file expenditure and receipt forms for his inaugural committee with the Secretary of State’s office, due to a law passed in 2016.

Former Gov. John Lynch, who held the office from 2005 to 2012, voluntarily filed

disclosures for his committee. Hassan did not.

While the majority of the donations to the Lynch inaugural committee were from individuals for less than \$500, Lynch also accepted large contributions: \$25,000 from Citizens Bank, \$25,000 from New Hampshire International Speedway and \$17,000 from the Anthem Insurance PAC.

The voluntary expenditure reports filed by the John Lynch Inaugural Committee do not appear to contain any payments to Lynch or members of his family, however.

Besides the 2016 law mandating financial disclosures, there are no state rules governing how much money a governor's inaugural committee can collect from any one source or how that money can be spent.

"Inaugural committees are, in many ways, on the edge of the campaign finance world," said Edwin Bender, executive director of the National Institute on Money in Politics.

"Those big contributions from people who will be discussing public policy with (Sununu) raise the specter or the appearance of conflict of interest," he added. "That is the sort of thing that should cause folks in New Hampshire to pause and ask questions."

[Ethics complaint targets Georgia tea party leader](#)

A Republican attorney filed an ethics complaint Friday claiming a prominent Georgia tea party leader failed to register as a lobbyist and disclose most of her political advocacy work.

The complaint targets Debbie Dooley, a co-founder of the Atlanta Tea Party Patriots who has attracted national attention for her advocacy for alternative energy initiatives.

The ethics charge, filed by Bryan Tyson, contends that Dooley's work is often funded by "dark money" groups but that she's tried to shield herself from the state's reporting requirements because she often labels herself as a tea party activist.

Dooley said she filed the necessary paperwork and characterized the complaint as an attempt to silence her advocacy work, which includes outspoken opposition to the Plant Vogtle nuclear project.

"I very much welcome a full investigation to put the matter to rest once and for all and for folks to see how ridiculous and politically motivated the complaint is," said Dooley.

"I don't register as a lobbyist because you are not required to register your First Amendment rights," she added. "If I am required to register as a lobbyist, then other citizen activists will as well."

Related

How Brian Kemp turned warning of election system vulnerability against Democrats
How Brian Kemp turned warning of election system vulnerability against Democrats
Report: Georgia Power coal ash ponds leaking toxins into groundwater Report: Georgia
Power coal ash ponds leaking toxins into groundwater
Obamacare ruling hits home in Georgia Obamacare ruling hits home in Georgia
Georgia Republicans refocus on pocketbook issues after suburban losses Georgia
Republicans refocus on pocketbook issues after suburban losses
Expansion of Medicaid for Georgia's poor on the table, with a twist Expansion of
Medicaid for Georgia's poor on the table, with a twist
Who could challenge Sen. David Perdue in 2020 Who could challenge Sen. David
Perdue in 2020
'Pet projects?' How Deal has transformed his hometown of Gainesville 'Pet projects?'
How Deal has transformed his hometown of Gainesville
The complaint filed by Tyson, the former head of Georgia's public defender council,
accused Dooley of building a nationwide business as a "consultant for hire" while using
her credentials as a conservative activists and tea party leader to shield herself from
ethics requirements.

He wrote that she has significant financial incentive to avoid filing as a lobbyist: It
"would significantly decrease the likelihood of her being quoted by the media as a
citizen-activist or tea party leader" and also spurn some potential clients.

His filing cites about a dozen instances where she urges lawmakers or public officials to
pass policies, including some where she acknowledged she had been paid for her work.
It details one Twitter exchange where she accepted apparently acknowledged receiving
funding from Tom Steyer, the billionaire Democratic financier.
And it said several of her organizations failed to register with state ethics officials,
despite taking stances on candidates.

You can read the entire filing [here](#).

It highlights her opposition to a pair of Republican incumbent Public Service
Commissioners – Chuck Eaton and Tricia Pridemore – who faced stiff opposition in
November's election. It said several groups affiliated with Dooley failed to register with
the state ethics commission despite seeking contributions to defeat the two incumbents.

"With a publicly acknowledged budget of nearly six figures with the goal of influencing
policy within the state of Georgia, Ms. Dooley has the resources and audience to create
change," read the complaint.

“Without proper registration and disclosure, Ms. Dooley and her organizations are able to effect this change unchecked and without disclosing information that Georgia citizens have a right to know.”

Lawsuit could derail NY's pricey lobbying filing system

A recently filed lawsuit could derail the implementation of a new, multi-million-dollar online system for tracking lobbying activities in New York.

The suit, filed in late November by three petitioners in state Supreme Court in Albany, seeks to undo sweeping new lobbying regulations approved this year by the state Joint Commission on Public Ethics.

Underwood's office says a court injunction blocking JCOPE from enforcing the new lobbying regulations would cause "confusion and delay" in the rollout of the watchdog's new online lobbying platform, which incorporates the new regulations in its functions.

"As of June 2018, the commission had expended approximately \$1.5 million on its new lobbying registration and reporting online application, and anticipated spending nearly \$1 million more," wrote Chris Liberati-Conant, an assistant attorney general. The new regulations are "inlaid into the application, which (JCOPE) has been developing for over three years."

The response notes that the application is "already live and lobbyists will be using it to register and report as of Jan. 1, 2019."

Underwood's office also argues that JCOPE has the legal authority to issue the sweeping lobbying regulations. The petitioners in the case, including former top state lobbying official David Grandeau, contend the Legislature never passed a law allowing JCOPE to issue the 92 pages of rules reinterpreting state lobbying law.

Underwood's office countered that lobbying law does require JCOPE to "publish a statement on lobbying regulations setting forth the requirements" of the law.

In April, JCOPE's commissioners — appointed by Gov. Andrew M. Cuomo and legislative leaders of both parties — unanimously passed the regulations overhauling the rules that cover New York's sprawling lobbying industry.

The petitioners want to see the regulations struck down in state Supreme Court, and are seeking an injunction disallowing JCOPE from enforcing them in the interim.

The JCOPE-crafted rules define as lobbyists a class of political consultants that has wielded influence with elected officials through close relationships, without the consultants themselves actually engaging in the traditional arm-twisting traditionally recognized as lobbying.

While JCOPE's staff has said the new rules largely codify decades of existing state ethics opinions, the regulations were meant to update existing regulations for modern-day campaigns, many of which emphasize the application of public pressure on lawmakers separate from more traditional person-to-person lobbying.

On JCOPE's website, the new online platform for disclosing and searching through lobbying filings is not fully operational.

Currently, the website allows users to submit "online profiles" on the new application.

By next week, the application will allow lobbyists and their clients to submit required lobbying registrations for 2019, according to JCOPE spokesman Walter McClure.

[Atlanta GOP attorney elected chair of state ethics commission](#)

Atlanta attorney Jake Evans was elected Wednesday to chair the state ethics agency charged with policing the ethics of Georgia politicians and lobbyists, as it prepares to handle a crush of new cases linked to this year's election.

Evans was tapped two years ago by Gov. Nathan Deal to fill an open spot on the board vacated by Tricia Pridemore, a former member of his administration who was recently elected to serve on the Public Service Commission.

An attorney with Holland & Knight, Evans earned his bachelor's and law degrees from the University of Georgia and is president of the Atlanta Young Republicans.

He is the son of Randy Evans, Deal's long-time private attorney who is now the U.S. ambassador to Luxembourg.

The panel, formally known as the Georgia Government Transparency & Campaign

Finance Commission, is a five-member group charged with collecting campaign finance reports, issuing advisory opinions and dispensing penalties for violations.

The commission was plagued for years by litigation over claims that Deal's administration pressured the panel to make complaints against him "go away," accusations of dirty dealing and back-stabbing among staff.

Whistleblower lawsuits from ex-employees – including a former executive director - forced the state to pay out millions of dollars.

After years of inaction, a backlog of more than 150 cases was finally cleared in 2017 - just in time to handle for the agency to handle a slew of new complaints filed by citizens, watchdog groups and political adversaries.

[Herring won't take Dominion money for 2021 gubernatorial run](#)

Virginia's attorney general has announced that he will no longer take campaign contributions from state-regulated monopolies or their key executives and lobbyists ahead of his run for governor.

Mark Herring told the blog Blue Virginia on Monday that he decided to stop taking contributions from entities like Dominion Energy after last year's election "to help restore the public's trust" in government.

According to the Virginia Public Access Project , Herring accepted \$134,500 between 2006 and 2017 for his campaigns for state Senate and attorney general.

Herring's press secretary, Charlotte Gomer, said in a statement to the Richmond Times-Dispatch that Herring is a "strong advocate for Virginia consumers."

[Marijuana industry hunts for votes after helping to oust top opponent](#)

The marijuana industry, which is growing quickly in a handful of states where recreational use is legal, is turning its attention to Congress, plotting an aggressive legislative agenda it hopes will advance after years of stagnation.

Supporters of legalization hope the 116th Congress will move a handful of measures aimed at normalizing the marijuana industry. They will have help from several members of Congress — including several top Republicans — who want the federal government to stay out of what they see as a state’s rights issue.

“This is a place that Republicans and Democrats alike can agree that it shouldn’t be the place of the federal government to interfere,” said Aaron Smith, who heads the National Cannabis Industry Association.

Lobbyists for marijuana reform groups say they hope to pass new measures aimed at allowing cannabis businesses to access the federal banking system, giving those businesses access to tax breaks for business expenses that other industries take, and aligning federal policy with state policy in places where voters have already opted for legalization.

Though many of those measures had widespread support from both parties, they had run into a wall in recent years: House Rules Committee Chairman Pete Sessions (R-Texas).

Sessions blocked more than three dozen marijuana-related amendments from advancing to the House floor.

“The Rules Committee is a place that can stop things. So it stopped all of the efforts that I did and other members did to offer floor amendments that likely would have passed with Republican and Democratic support,” said Rep. Jared Polis (D-Colo.), now his state’s governor-elect, who introduced several amendments that would have benefited the cannabis industry. “Largely because of [Sessions’s] position with regard to marijuana, the committee didn’t allow Congress to vote on those.”

Before November’s midterm elections, Tom Rodgers, the lobbyist who blew the whistle on Jack Abramoff, organized the marijuana industry’s first real foray into federal electoral politics. Rodgers cobbled together \$125,000 in contributions from three companies — Surterra, TGS Management and PalliaTech — to the House Majority PAC, part of the \$2.5 million the group spent against Sessions.

Sessions lost to Rep.-elect Colin Allred (D) in November.

Legalization backers are more confident now that Sessions will be replaced atop the

Rules Committee by Rep. Jim McGovern (D-Mass.). McGovern, whose state voted to legalize marijuana in 2016, has said he would allow marijuana-related amendments to the House floor next year.

“Mr. McGovern has taken great pains to stress that he supports open rules,” said Tom Angell, a pro-legalization activist who publishes the Marijuana Moment newsletter. “He is very clearly on record saying marijuana amendments are fine.”

In the days after November’s elections, in which Democrats reclaimed control of the House, longtime legalization backer Rep. Earl Blumenauer (D-Ore.) sent a memo to House Democratic leaders outlining what he believed the House could achieve this year. Blumenauer called for hearings on descheduling marijuana as an illegal drug, increased federal research and addressing access to financial services.

“This movement is cresting,” Blumenauer wrote. “Now is our moment.”

Legalization opponents say they do not believe marijuana issues will be a high priority for a Democratic-controlled House that has just reclaimed the majority.

“Most Democrats would rather ignore it,” said Kevin Sabet, who heads the anti-legalization group Smart Approaches to Marijuana. “Some of this stuff is more likely than it has been, but it’s far from a done deal.”

Blumenauer and Rep. David Joyce (R-Ohio) are working with Sens. Cory Gardner (R-Colo.) and Elizabeth Warren (D-Mass.), the point people in the upper chamber. Gardner and Warren have been collecting support for the Strengthening the Tenth Amendment Through Entrusting States (STATES) Act, a measure that would align state and federal marijuana policies.

While the House looks like more favorable terrain for the cannabis industry, the picture in the Senate is far more complicated. Senate Majority Leader Mitch McConnell (R-Ky.) ushered a provision supporting hemp production into this year’s farm bill, but even marijuana backers know he will be a tougher sell on other cannabis legislation.

“We know that with Leader McConnell having just passed hemp legislation we will need to be methodically strategic in order to address his cannabis concerns,” Rodgers said.

“McConnell did what he did on hemp, and he’s ready to move on from marijuana. Check the box for his constituency in Kentucky,” Sabet said.

A McConnell spokesman did not return a request for comment.

Still, getting votes in the House is a step for the legalization industry, where advocates take a decidedly long view. Last year, the Joint Committee on Taxation provided the first estimate of revenue legal marijuana could generate at the federal level, at Gardner's request — a sign that the panel takes the industry seriously enough to consider its economic implications.

The committee's economists expected sales of up to \$130 billion over the next 10 years, in just the eight states that had legalized recreational marijuana at that point.

There are other signs that marijuana backers are taking Capitol Hill more seriously: Twenty-two groups have reported hiring a total of 63 lobbyists to work on the STATES Act, including credit unions, the American Civil Liberties Union, the state of Colorado and the city of San Francisco. In 2017 and 2018, the industry spent more than \$3.2 million lobbying Congress, according to the Center for Responsive Politics.

“Over the years, the industry has become more and more engaged in campaigns, fundraising and politics,” Smith said. “Anybody who watched the midterm elections sees that politically the writing is on the wall.”