



M U L T I S T A T E

**[Beach time with NC lawmakers? It's yours for \\$30,000](#)** (North Carolina)

The state's top lawmakers will gather on the Outer Banks this November for a two-day retreat where groups that annually have business before the legislature can mingle with policy makers for a \$30,000 donation.

"Save The Date" invitations went out Monday, emailed to lobbyists working at the General Assembly. The event, a Republican retreat with proceeds used to fund GOP legislative races, is held every two years.

Lobbyists are prohibited from making campaign donations to an individual politician's campaign, but there's no such limit on donations to the state's political parties, which in turn spend money to help individual campaigns. In this case, donations of \$15,000 each are asked for the House and Senate caucus funds at the N.C. Republican Party.

And though lobbyists get the invite, they're not really the target. The invitations get passed along to business and other interest groups with Political Action Committees, which write the checks.

This year's retreat is at The Sanderling Resort in Duck and features Senate President Pro Tem [Phil Berger](#) and Speaker of the House [Tim Moore](#), according to an invitation forwarded Monday to WRAL News. A \$30,000 "attendance contribution," split among the caucus funds, also covers costs at the resort.

The event is not, political directors for the House and Senate Republican caucuses said Monday, an example of pay-to-play politics. It will likely take place after legislative work wraps up for the year.

"Paying to attend an event is not paying for access," House Republican Caucus Director Stephen Wiley said. "People give money to candidates and organizations they agree with."

"No one's forcing anyone to do anything," said Dylan Watts, political director for the Senate Republican Caucus. "There's no pay to play ... it's just the caucus raising money."

The state's campaign finance laws are dotted with fundraising bans, and [with loopholes](#).

Lobbyists are forbidden from donating to lawmaker's campaigns year round, but they can give to the state political parties and other affiliated committees, which can accept unlimited donations.

Lobbyist "principals," essentially anyone who hires a lobbyist at the General Assembly, can't donate to lawmakers during session. However, the "principal" is often a company or a particular executive there, and [there's no ban](#) on that company's other top executives donating, including during session, as long as they're not identified on paperwork as the "principal."

With individual contributions to a politician's campaign capped at \$5,600 per election – an amount that goes up, by law, every two years based on inflation – the big money flows through the state parties, and through [similar fundraising committees](#) that North Carolina lawmakers created several years ago by tweaking state code.

These groups aren't supposed to let people earmark their donations for particular campaigns, but it happens.

Wealthy North Carolina businessman Greg Lindberg is serving a federal prison sentence now for laundering contributions through the state Republican Party that were ultimately bound for Insurance Commissioner Mike Causey's campaign. The scheme fell apart because Causey called in federal agents.

The state party's chairman at the time, former Congressman Robin Hayes, cut a plea deal in the case and avoided jail time.

There's nothing partisan about promising face time for a campaign donation, though. Democratic Gov. Roy Cooper and key members of his administration have [repeatedly](#) been [promised attendees](#) at fundraisers for Moving North Carolina Forward, a dark money group that supports the governor's agenda.

**[Pa.s' top two Republicans announce plans for lobbying reform, but is it enough?](#)**  
(Pennsylvania)

A [new package of bills](#) could tighten the guidelines for Pennsylvania lobbyists. Though it's a step toward reform, advocates say they need more details.

In a statement released Monday, Senate President Pro Tempore Jake Corman, R-Centre, and House Speaker Bryan Cutler, R-Lancaster, [unveiled plans](#) to draft legislation and build on the state's existing [Lobbyist Disclosure Act](#) by regulating lobbyists' influence and establishing a code of conduct for lobbyists.

“There is a tangled web of money and influence between the people who lobby the General Assembly and the people who run the political campaigns,” Corman said in a statement. “This package of bills would help untangle the web and sever the ties between those two entities while ensuring the public has more access to information about the individuals and organizations who are seeking to influence public policy.”

Though Corman and Cutler say this initiative is a step toward rebuilding citizens' trust in democracy, critics of the legislation called it a baby step — “a snowball” that doesn't even begin to address an “avalanche” of financial issues, Michael Pollack, executive director of March on Harrisburg, told the Capital-Star.

Under the proposal, lobbyists would be required to disclose and register any client conflicts and potential assets with the Department of State and complete a mandatory annual ethics training.

Campaign consultants, who also would be required to register with the state, would be prevented from registering as lobbyists and lobbying elected officials for two years.

The package also prohibits lobbyists from receiving or paying referral payments to another individual, firm or campaign consultant. In a statement, the Republican lawmakers said this would prevent “kick-backs” from one firm or individual to another.

“Every Pennsylvanian, whether they realize it or not, has a lobbyist working for them inside the Capitol,” Cutler said. “The voters elected us to carry their voices and their interest; we are their lobbyists. The voices of the people we represent cannot be shouted down by those with power and influence, and these reforms will help ensure all voices are on an equal playing field in Harrisburg.”

Corman promoted the proposal in a tweet, saying that reforming state lobbying and campaign laws was a promise he and Cutler made after being elected to their leadership posts in January.

“Today, we took an important step toward that goal,” he wrote.

Khalif Ali, executive director of [Common Cause Pennsylvania](#) — which advocates for government transparency and accountability — agreed that Pennsylvania needs lobbying

reform. He said that any opportunity for Pennsylvanians to have more influence over policy would be a positive step.

But governing doesn't happen on social media, he added.

"I like what I've read in the memo," Ali said. "But again, I absolutely need a bill. I need something that we can offer some feedback and some critical analysis on. It just can't be tweets or press releases. I can't put my faith in those documents to know that this is something that's serious."

Ali hopes lawmakers will also examine the proposed gift ban, which would prohibit lawmakers from accepting gifts from lobbyists.

"Cash in politics is just a critical part and should be integrated into any topic related to lobbying," he said.

Under current law, it is legal for lobbyists to buy lawmakers dinners, give them tickets to events and offer any other gift while discussing policy and legislation. And unless the cost is more than \$250, the items do not have to be reported.

Hoping to restore faith in government with the proposal, Corman and Cutler — who have faced questions about their credibility on lobbying reform — said they plan to formally introduce the legislation "in the near future."

Earlier this month, the investigative news website Spotlight PA [reported](#) that Corman traveled to Arizona for an event organized by the Mavericks, a [Harrisburg-based firm](#) that helps fundraise for elected officials, runs political campaigns and lobbies officials once they are in office. The same group also handles Corman's campaigns.

While there, he helped raise funds for the [Build PA PAC](#), which brings in millions for GOP campaigns each year. Another fundraiser for the [Republican Legislative Campaign Committee](#) — a firm that helps elect Republicans nationwide — followed. Corman reportedly attended; the RLCC [appointed](#) both lawmakers to leadership positions earlier this year.

Neither lawmaker has said they will stop working with these groups.

Though the co-sponsorship memo proposes what would be an "improvement to the status quo," Pollack, a [longtime advocate](#) for the gift ban, said it's disappointing and a weak attempt to address recent controversy.

“There’s a whole avalanche of problems. This is a snowball,” Pollack said, adding that March on Harrisburg has planned a series of directives to pressure Corman into amending the proposal to include the gift ban.

“It’s been decades. They know this is an embarrassment; they know that this is an issue, and they refuse to address it. It’s something, but it’s the bare minimum,” he said. “He uses the language of building trust and the idea that people don’t trust their government. If he really wants to build trust, he’ll take on campaign finance reform and dark money. There’s a lot to do, and he’s not even starting at step one.”

Jason Thompson, a spokesperson for Corman, could not comment on the gift ban but said Corman supported efforts to ban lawmakers from receiving gifts of cash and gift cards in years past.

**[Heritage Action, which claimed credit for Iowa election law, says it didn't lobby illegally. In fact, it didn't lobby at all.](#)** (Iowa)

Heritage Action, a national conservative group that claimed credit for writing parts of a recently-approved Iowa election law, said in a letter to state regulators Tuesday it did not lobby on the legislation in violation of state law.

Its executive director, Jessica Anderson, claimed, [in a recently leaked video](#) that "we worked quietly with the Iowa state Legislature" to pass the law. The law [cut early and Election Day voting](#) in the state, instituted new rules for removing ineligible voters from state voters lists and made a host of other changes.

But the law's Republican authors [quickly denied any Heritage involvement in drafting the legislation](#). And both Republicans and Democrats questioned whether the group could have broken Iowa's lobbying laws by advocating for the measure without its staff registering as lobbyists as required.

Democrats on Tuesday [filed an ethics complaint](#) accusing two Heritage representatives of violating the rules, which they denied.

"To be clear: Heritage Action staff have had no communications with any members of the Iowa Legislature relating to legislation over this past year," Christopher Byrnes, general counsel for the Heritage Foundation, wrote in a letter to the Iowa Ethics and Campaign Disclosure Board.

The board, which oversees lobbying laws, sent Heritage Action a letter to on Friday requesting information about its interactions with state agencies and officials.

In the video released last week, Anderson claimed credit for three provisions in the election law that she said "were directly written by the Heritage recommendation." The Heritage Foundation [released a report Feb. 1](#) with recommendations for states to change their election laws.

"We got the best practices to them. We helped draft the bills. We made sure activists were calling the state legislators, getting support, showing up at their public hearings, giving testimony," Anderson said in the video.

Rules governing the Iowa Legislature require lobbyists to register with the House and Senate before beginning any lobbying activities and to register on any specific bills they intend to influence.

Lobbying activities could include spending time at the Iowa Capitol, attending meetings or hearings that result in the lobbyist communicating with legislators, time spent researching and drafting legislation with the intent of providing that legislation to a legislator or staff member and time communicating with legislators and staff about proposed legislation.

In the letter Tuesday, Heritage criticized "the multitude of inaccurate press accounts over the past week" and said it did not lobby on the law.

In the letter, Byrnes said Heritage Action sent information about the law to its "grassroots supporters across Iowa" who then engaged with legislators.

"While no Heritage Action employee or a representative paid to act on its behalf engaged directly with the Iowa Legislature, we are proud to know that our grassroots network answered the call to express their views on this topic of public importance, and that their efforts helped shape legislation that is now law," the letter said.

Heritage asked for a quote from Reynolds, but didn't get one

Heritage Action did communicate with Gov. Kim Reynolds leading up to [Reynolds signing the law on March 8](#), records show.

Heritage Action staff participated in a phone call in March with Reynolds' communications staff to discuss Heritage's communication strategy "to highlight the provisions of the new election integrity law once enacted," the letter said.

Pat Garrett, a spokesperson for Reynolds, said the call was about whether Reynolds would provide a quote for a Heritage Action press release. She ultimately did not provide one.

Garrett shared a series of emails with the Des Moines Register, which include requests from Heritage to connect with Reynolds and her staff. Reynolds' office provided the emails to the Iowa Ethics and Campaign Disclosure Board along with a letter from the governor's Senior Legal Counsel Michael Boal.

An email from Heritage Action on March 2 seeking to connect Reynolds with Anderson received no response from the governor's office.

From March 4-8, Heritage staff and the governor's office exchanged emails in connection to the call with Reynolds requesting a quote.

"As our office had had no substantive interaction with the group on this issue, we declined to provide a quote for that release," Boal wrote to the board.

And on April 12, Heritage Action staff emailed Reynolds' staff asking whether she "would be willing to complete a short video concerning her work in connection with Iowa's election integrity law," the letter from Heritage said.

No one from Reynolds' office responded.

### [\*\*GOP says Democrats' ethics bill doesn't go far enough\*\*](#) (Illinois)

The Illinois Senate is gearing up for a debate over a package of ethics reforms, possibly as early as this week, that Republicans say doesn't go far enough.

Senate Bill 4, which moved out of the Senate Ethics Committee on April 21, is a package written largely by legislative Democrats that would enact new rules governing lobbying, campaign fundraising, who can serve on political committees and the operations of the General Assembly.

Specifically, it would prohibit elected officials, including members of the General Assembly, from lobbying other units of government on behalf of other entities. That became an issue when former Rep. Luis Arroyo, a Chicago Democrat who also lobbied the city of Chicago on behalf of a client, was indicted in 2019 on charges he tried to bribe a state senator.

It would also prohibit lawmakers and executive branch officials from going to work as a lobbyist within six months after leaving office, although it would allow lawmakers to work as lobbyists once the biennial session to which they were elected ended. The same prohibition would apply to lawmakers who are hired to work as "consultants" for businesses or groups that lobby the legislature.

It would also prohibit both virtual and in-person fundraisers in Sangamon County on days when the General Assembly is in session, as well as the days before and after session days. Current law bans only in-person fundraisers on session days.

Salaried appointees of the governor and other executive branch officials who are subject to Senate confirmation would be prohibited from serving as an officer of a candidate committee or being the designate beneficiary of such a committee.

Finally, the bill would establish the office of legislative inspector general as a full-time employee, create a uniform statement of economic interest form that would also apply to judicial candidates and prorate the monthly salary of lawmakers who leave office before the end of their term.

That bill reportedly has been the subject of negotiations between the chairs of the Senate and House ethics committees, Sen. Ann Gillespie, an Arlington Heights Democrat, and Rep. Kelly Burke, an Evergreen Park Democrat. But Gillespie indicated Monday that further changes may be made before the bill comes up for a vote.

"I remain committed to passing an ethics package this legislative session and am working with colleagues in both chambers to develop the best package possible," she said in an email statement.

Senate Republicans, however, argued in a news conference Monday that while the Democrats' bill has some good reforms, it falls short of the kind of ethics legislation that they say Illinois needs.

"Our discussion on Senate Bill 4, while productive, was left with the promise of an amendment," said Sen. John Curran of Downers Grove, the ranking Republican on the Ethics Committee. "It's been four weeks now. We have two weeks left in this General Assembly."

Curran is the lead sponsor of the GOP-backed ethics package, Senate Bill 1350, which contains a number of other provisions giving local state's attorneys and the attorney general's office more authority to investigate and prosecute cases of public corruption.

Those include giving the attorney general authority to convene statewide grand juries to investigate corruption; giving local prosecutors authority, with court approval, to use wiretaps in corruption investigations; and giving the legislative inspector general independent authority to investigate corruption cases and issue subpoenas.

It would also impose a hard one-year revolving door prohibition on lawmakers becoming lobbyists.

"This isn't just about a few outliers taking bribes or breaking rules," said Senate Minority Leader Dan McConchie of Hawthorn Woods. "This is about fundamentally reforming the system that doesn't allow us to police our own house. I believe it's un-American, it's unfair, and it's just fundamentally wrong."

Senate Bill 4 is currently sitting on the Senate calendar awaiting final action. The deadline for final action is listed as Friday, although that deadline could be extended. The Republican package, which was introduced Thursday, has not yet been assigned to a substantive committee.

The final day of the session is scheduled for May 31.

### **Legislation Will Extend State Rules on Gift-Giving to MACo and MML** (Maryland)

Gov. Lawrence J. Hogan Jr. (R) is expected to sign a bill Tuesday that will ban state officials and employees from retaliating against someone who reports a violation of Maryland's ethics law or participates in an ethics investigation.

Senate Bill 4, introduced by Sen. George C. Edwards (R-Garrett), is a largely uncontroversial proposal to protect whistleblowers that sailed through the General Assembly, garnering widespread approval in the House and Senate.

And as the result of an amendment by Senate President Bill Ferguson (D-Baltimore City), the bill will also close a "loophole" in the state's rules on gifts to lawmakers by extending those rules to influential organizations that represent counties and municipalities — the Maryland Municipal League and the Maryland Association of Counties.

Yaakov "Jake" Weissmann, Ferguson's chief of staff, told lawmakers during a March 3 voting session that the amendment was introduced to ensure the state's ethics law applies evenly to all organizations.

He said the issue was first brought to Ferguson's attention when lobbying firms raised questions about how to conduct virtual events due to the pandemic. The state's ethics law requires that meals and beverages given to lawmakers and officials by certain groups, like lobbyists, must be consumed "in the presence" of the donor, meaning those events have to take place in-person, legislative ethics counsel Deadra W. Daly told lawmakers at the March meeting.

Entities representing counties and municipalities aren't among the groups covered by the current gifting law, so while lobbying firms and other associations couldn't conduct those virtual events under current law, MACo and MML could.

"There was this kind of loophole that we wanted to fix," Weissman said.

The amendment was not well received by MML, which in written testimony blasted the Senate Education, Health and Environmental Affairs Committee for adding the amendment just hours before the panel voted to move the bill along.

"Our association solely represents municipal governments; we do not fund Political Action Committees (PACs), donate to candidates, or endorse candidates for public office," the MML testimony reads. "This distinguishes us from the other entities incorporated in the provisions of this bill, and rightfully so. Our association has always been treated like other government service organizations, agencies and departments in regard to ethics requirements."

The MML went on to ask members of the House Environment and Transportation Committee to remove the Senate amendment from the bill, a request that was ultimately unsuccessful.

Del. Brooke E. Lierman (D-Baltimore City), the sponsor of the House version of the bill, defended the amendment in an April 12 floor session after Del. Jefferson L. Ghrist (R-Upper Shore) sought to strike it.

Ghrist argued that the amendment should've been its own bill, and advocated waiting until the 2022 legislative session to tackle the issue. He said stakeholders weren't given enough time to thoroughly review the amended bill, echoing criticism from the Maryland Municipal League's testimony in opposition to the amendment.

"We were not opposed to this bill until an amendment specifically targeting the Maryland Municipal League (MML) and the Maryland Association of Counties (MACo) was added hours before at the applicable Senate Committee voting session," the MML testimony reads. "The amendment including our association was not proposed in the House cross-filed bill (HB 363),

nor was it discussed by witnesses in either chambers' bill hearing, leaving no time for respectful discussion with its sponsor(s) or the Committee.”

Ghrist said Maryland's smaller municipalities and jurisdictions, like the ones he represents on the Eastern Shore, don't have the resources to advocate on their own behalf in the General Assembly.

“They don't have an office on [State] Circle,” Ghrist said. “They don't have a team of attorneys representing them.”

He characterized the associations as an “arm of local government,” and said the groups don't endorse candidates or have political action committees.

Lierman said the amendment wouldn't hamper either organization's relationship with lawmakers or their ability to lobby, but would rather ensure the state's ethics rules are applied universally. She said that, as the law currently stands, the two organizations are given “special treatment” compared with similar associations.

“It's about transparency and accountability to our constituents,” Lierman said.

Ghrist's motion was ultimately denied, and the bill passed the House on a 116-15 vote. Lierman's version of the bill, which was amended to mirror the Senate version, passed as well.

Michael Sanderson, the executive director of the Maryland Association of Counties, said in an email that his organization hasn't “fully absorbed” how the bill will affect its annual conferences and other events. He noted MACo, like MML, does not have a political action committee or endorse candidates.

Sanderson said he doesn't believe the bill will “meaningfully affect counties' ability to be effective in advocating on policy matters.”

“We know state legislators are stakeholders in the community success of their county partners and the many services we deliver locally – that has always been the strong bond between our county elected officials and their state-level counterparts,” Sanderson said. “We serve the same residents, voters, and taxpayers.”

MACo's annual summer conference was cancelled due to the pandemic in 2020. The association is currently planning an in-person conference for August in Ocean City, on a somewhat

scaled-back level. MML is also planning on having a live conference in Ocean City in late June, with virtual events occurring in mid-July.

### **Simonaire Reverses Lobbyist-Specific Price Tag for Fundraiser, Laments Hough's Departure** (Maryland)

It's customary for members of the General Assembly to invite lobbyists to their political fundraisers. Not only might the lobbyists themselves contribute to the lawmakers' campaigns, but they might persuade their clients to donate, too.

Fairly or not, this custom helps to perpetuate the idea that there's a "pay-to-play" culture in Annapolis.

Senate Minority Leader Bryan W. Simonaire (R-Anne Arundel) seemed prepared to take this approach to a different level. In early versions of the invitation for his virtual fundraiser on June 15, with Gov. Lawrence J. Hogan Jr. (R) as the featured guest, Simonaire had a precise price point in mind that he was asking lobbyists to pay if they wanted to attend: \$1,000.

That was the same ticket price he was asking political action committees to pay; local business owners and Anne Arundel County residents were being asked to pay \$500 per ticket, while sponsorships for the event ran from \$1,500 to \$6,000.

Simonaire told Maryland Matters on Wednesday the ticket prices for each specific group were set by his new fundraising consultant — though he conceded that he signed off on them. But later in the day, he called back to say updated versions of the invitation would simply ask "guests" who weren't Anne Arundel residents or local business owners to pay \$1,000 for a ticket.

Simonaire said he's seen the "pay to play" culture at work in state and local politics and that it's anathema to him.

"There's never been that with me," he said. "My slogan — which is not really a slogan, because I believe it and practice it — is restoring the voice of the people to the political process."

Simonaire said he realizes that lobbyists come in all stripes — from those who earn seven-figure incomes to those who represent low-budget nonprofit groups. He said the June event with Hogan won't be his only fundraiser of the year, and observed that lobbyists are welcome to come to others and pay a lower-dollar amount. He added that his chief interest in setting ticket prices for this coming event was to make sure that small business owners could afford to attend.

Meanwhile, Simonaire, who took over as minority leader last fall, said he was disappointed by the [news this week](#) that Senate Minority Whip Michael J. Hough (R-Frederick) plans to leave the Senate at the end of next year and seek to become Frederick County executive instead.

“We’re going to miss him,” he said. “Our loss is Frederick’s gain.”

Simonaire described Hough as a skillful lawmaker who is “well-respected on both sides of the aisle.” He said that until the two were elevated into leadership last year he didn’t know Hough all that well, but has come to regard him as a valuable partner and good friend.

“I think we made a great team, working together,” he said.

Simonaire indicated that it’s likely Hough will remain in the whip spot for the remainder of his term, but said that could change, depending on what Hough wants to do and the will of the 15-member GOP caucus.

“I think he wants to stay and I think the caucus would like him to,” Simonaire said.

### **[His birthday party became infamous. Then his lobbying firm’s revenue boomed](#)** (California)

An uncomfortable spotlight shone on lobbyist Jason Kinney last year after he hosted an [infamous birthday dinner](#) at Napa Valley’s French Laundry restaurant attended by Gov. Gavin Newsom. The event violated California’s social distancing rules at the time and unleashed a political storm for Newsom. But the notoriety may have boosted Kinney’s fortunes in an industry where personal connections are the primary currency.

Billings by lobbying firm Axiom Advisors, where Kinney is a partner, rose by more than 25% last quarter, according to [official reports](#) filed with the state. The Sacramento-based consultancy logged revenues of \$2,008,046 between January and March, a rise of \$406,916 from the fourth quarter of 2020 and its second-best reporting period since the firm was formed two and a half years ago.

Among more than 60 clients on the company’s roster during those three months, nine had newly hired Axiom Advisors to lobby on their behalf, including a little-known Massachusetts-based technology company, the French cosmetics juggernaut L’Oreal and the National Football League. Axiom noted that it had previously worked with nearly half of those in other capacities.

Though the French Laundry scandal hurt Newsom politically and helped spur the [recall drive currently under way](#) against him, it was good advertising for Kinney and, by extension, Axiom

Advisors, said Jessica Levinson, a professor at Loyola Law School and former president of the Los Angeles Ethics Commission. The influence industry is all about who you know, and the dinner showed off their close relationship.

“In a way it’s like a celebrity endorsement,” Levinson said. “It’s benefit by association, as opposed to guilt by association.”

Axiom Advisors, which also provides consulting and crisis communications services, launched in late 2018, shortly after Newsom was elected governor. Representing clients including Facebook, Netflix, oil company Aera Energy, online marijuana directory and marketplace Weedmaps, and global engineering and construction giant Bechtel, the firm collected nearly \$12.5 million in lobbying fees throughout 2019 and 2020, or about \$1.56 million per quarter. It had the fifth-highest billings of more than 400 registered lobbying firms during that period.

Kinney is a longtime friend and political adviser to Newsom, and has worked on several of his campaigns. In November, he hosted a 50th birthday celebration at the famed French Laundry in Yountville that brought together at least a dozen guests, including Newsom and his wife, as well as the chief executive officer and top lobbyist for the California Medical Association.

The dinner violated a state guideline at the time limiting social gatherings to no more than three households due to the coronavirus pandemic. After the event was reported by The Chronicle, it generated national attention, [turbocharging a recall drive](#) against Newsom and highlighting the [blurred lines between personal relationships and professional influence](#) common in Sacramento.

In the wake of the criticism, Newsom adopted [new ethics rules for his office](#), and in March, he ultimately [banned all of his political advisers](#), including Kinney, from lobbying his administration.

Axiom Advisors nevertheless thrived. Records indicate that lobbying payments last quarter surged to their highest level since the spring of 2019, when the firm pulled in \$2.28 million. The firm had not booked more than \$1.7 million in a single three-month period since then.

That made Axiom the second-largest lobbying firm in the state, up from fourth in the final quarter of 2020. At a time when most large firms actually saw their billings decrease, Axiom had the biggest jump in revenue and the fifth-highest increase by percentage of any consultancy that made more than \$250,000 between January and March.

“We are proud of our firm’s growth, especially during these challenging times,” Cassie Gilson, managing partner at Axiom Advisors, said in a statement. “It’s a cyclical industry but all of our partners and associates — with decades of experience across state government — work tirelessly

for our clients and are committed to causes that make the state we live in and love even stronger.”

Axiom’s biggest lobbying client at the start of 2021 was Health Net, a health care insurance provider owned by Centene Corporation, which paid the firm \$122,500 last quarter to lobby the governor’s office, the Legislature, the Department of Public Health and the Department of Health Care Services on the state budget and dozens of bills.

Health Net signed up with Axiom last summer, but did not report any lobbying payments to the firm in 2020, according to records. Representatives for Health Net declined to comment on whether the increase in payments represented a shift in its lobbying strategy following the French Laundry dinner.

Poseidon Water, which is seeking state approval to build a controversial seawater desalination plant along the Orange County coast, paid Axiom Advisors another \$100,000 last quarter. Environmentalists have raised [concerns](#) about Newsom’s support for the project because of his relationship with Kinney.

The nine clients that newly registered Axiom Advisors as a lobbyist last quarter accounted for \$208,000 in combined fees.

That includes \$60,000 from the CTIA wireless telecommunications industry association, for which Axiom had previously served as a subcontractor; \$25,000 from OhmConnect, a Bay Area company that pays customers to reduce their electricity use; and \$17,500 from the Tejon Indian Tribe, which is trying to [build a casino](#) in Kern County that Newsom must authorize.

Secretary Sandra Hernandez said in an email that the tribe selected Axiom Advisors for its experience navigating “the complex legislative, legal and regulatory matters we face as a Tribal nation.” OhmConnect said it hired the firm to get involved on several energy-related bills in the Legislature. The CTIA and the National Football League, which has not yet reported any payments, did not respond to questions about what issues Axiom was working on for them or whether they were lobbying Newsom.

The largest new lobbying client was OmniProphis, a Massachusetts company that creates technologies to identify and disable contraband cell phones in secure facilities such as prisons. It paid Axiom Advisors \$70,000 in lobbying fees.

In a statement, the company said it had been working with Axiom Advisors since early 2019 on a project that recently triggered a lobbying registration requirement. OmniProphis did not specify

what the project is, but the company has [provided services](#) to the California Department of Corrections and Rehabilitation.

Several new clients cited their prior relationships with Gilson, a founding partner of Axiom Advisors: L'Oreal USA, which paid the firm \$15,000 for lobbying between January and March, said it had consulted with Gilson in the past to understand the state regulatory environment for the cosmetics business. The California Housing Consortium, which represents builders and other advocates for affordable housing and paid Axiom Advisors \$8,000 in the first quarter, said it hired Gilson after the group's longtime lobbyist retired last year.

NoHo Development Associates, a group trying to build a new housing and retail complex around the North Hollywood subway station, also pointed to Gilson's experience on land use issues. It has not reported any lobbying payments yet since bringing on Axiom Advisors in January.

CARP Growers, a group of cannabis farmers in Carpinteria (Santa Barbara County) that paid Axiom Advisors \$12,500 last quarter, noted that it had previously employed the firm as a lobbyist for several months in 2019.

In an email, Executive Director Peter Dugred called it "business as usual around here."

