



DEMOCRACY REFORM TASK FORCE WEEKLY NEWS ROUND UP

May 11, 2018

NATIONAL NEWS

[Russia Tried to Undermine Confidence in Voting Systems, Senators Say](#) **The New York Times**

Russia was preparing to undermine confidence in the United States' voting process when its hackers surveilled around 20 state election systems in the run-up to the 2016 elections, the Senate Intelligence Committee concluded in a brief report released on Tuesday. But the committee said it saw no evidence that the Russians had ultimately changed vote tallies or voter registration information. In a few states, however, Russian hackers were "in a position to, at a minimum, alter or delete voter registration data," the committee said. "These activities began at least as early as 2014, continued through Election Day 2016, and included traditional information-gathering efforts as well as operations likely aimed at preparing to discredit the integrity of the U.S. voting process and election results," the senators wrote.

[Firm Tied to Russian Oligarch Made Payments to Michael Cohen](#) **The New York Times**

A shell company that Michael D. Cohen used to pay hush money to a pornographic film actress received payments totaling more than \$1 million from an American company linked to a Russian oligarch and several corporations with business before the Trump administration, according to documents and interviews. Financial records reviewed by The New York Times show that Mr. Cohen, President Trump's personal lawyer and longtime fixer, used the shell company, Essential Consultants L.L.C., for an array of business activities that went far beyond what was publicly known. Transactions adding up to at least \$4.4 million flowed through Essential Consultants starting shortly before Mr. Trump was elected president and continuing to this January, the records show. Among the previously unreported transactions were payments last year of about \$500,000 from Columbus Nova, an investment firm in New York whose biggest client is a company controlled by Viktor Vekselberg, the Russian oligarch.

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[Trump's Not King, But His Party is Paying Tribute Anyway](#)

The Huffington Post

The United States has never had kings, dukes or even barons, but President Donald Trump's most loyal subjects have found a way to pay him millions of dollars in tribute anyway. New Jersey Republican congressman Tom MacArthur spent \$15,221 to hold a fundraiser at Trump's golf course in Bedminster, according to a HuffPost analysis of Federal Election Commission filings. Mark Meadows, a North Carolina Republican and a close Trump ally in the House, spent \$689 for an office Christmas party at Trump's hotel a few blocks from the White House. The Illinois-based Family PAC paid \$3,183 to Trump's hotel in Chicago to hold a conference there. And the Republican National Committee this week will likely spend in the neighborhood of a half-million dollars at Trump's resort in Doral, a few miles west of downtown Miami, for its spring meeting — not counting hundreds or even thousands of dollars RNC members must pay out of their own pockets for airfare, hotel rooms and some meals.

**Related Story: [Mar-a-Lago Events Raise Money for Politicos, Revenues for Trump.](#)*

[Senate Banking Chair Crapo Set Up Campaign Shop in Pruitt's Pad](#)

The Daily Beast

The townhouse that served as a cut-rate rental pad for EPA Administrator Scott Pruitt doubled as a veritable campaign headquarters for one of the most powerful chairman in the U.S. Senate. Over the course of four years, Sen. Mike Crapo (R-ID) held 78 campaign-related events at 223 C Street N.E., according to a new filing with the Federal Election Commission. The condo, which is where Pruitt stayed while getting his bearings in Washington, D.C., is owned by Vicki Hart, a

prominent lobbyist with clients who had business before committees on which Crapo serves. Her husband, Stephen Hart, the now-ex chairman of the firm Williams & Jensen, had his own set of clients before a separate committee that Crapo chairs. Crapo's campaign said in a statement to The Daily Beast that they had reimbursed Hart for use of the townhouse in order to be in complete compliance with election law. And it stressed that, unlike Pruitt, the townhouse was never used for boarding purposes.

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[Mulvaney Does Not Want You to See Complaints Against Banks](#)

The Washington Post

Last month, Mick Mulvaney, interim head of the Consumer Financial Protection Bureau, caused a stir after telling a group of banking executives that as a South Carolina congressman he always met with constituents but met only with out-of-town lobbyists who gave him campaign money. In the speech, Mulvaney also took aim at the consumer watchdog agency's complaint database, which contains more than 1.5 million complaints from consumers about their credit cards, bank accounts, mortgages and other financial arrangements. "I don't see anything in here that I have to run a Yelp for financial services sponsored by the federal government," Mulvaney said during his address to the American Bankers Association meeting. "I don't see anything in here that says that I have to make all of those public." A review of Mulvaney's campaign contributions finds some overlap between the two issues: Eight of the 10 companies subject to the most consumer complaints about their banking practices contributed to Mulvaney's political campaigns, according to a report by Public Citizen, an liberal consumer rights group, scheduled to be released Tuesday.

[Few Retiring Lawmakers Disclose Plans to Lobby](#)

Roll Call

On the cusp of a potentially historic wave of congressional retirements, few public records offer clues about which lawmakers have entered negotiations for lobbying and other private-sector gigs. "There's not usually much interest in those," a staffer in the House Legislative Resource Center said with a shrug. And here's why: If the House disclosures were accurate, then the last lawmaker to enter job talks with K Street, a speaker's bureau, universities and the like departed the Capitol in 2014. Despite a protocol for transparency in place since 2007, only nine House members and eight senators have filed these notices of employment negotiations. That's minuscule compared with the legions of lawmakers who have decamped from Capitol Hill to K Street over that decade. In the last Congress, for example, 21 lawmakers went on to new jobs outside of government, according to a tabulation from the nonpartisan Center for Responsive

Politics. Only one — Democratic Sen. Barbara A. Mikulski of Maryland, who joined Johns Hopkins University — filed a public disclosure.

[Chao's Interviews with Father Raise Ethical Flags](#)

POLITICO

In at least a dozen interviews with Chinese and Chinese-American media outlets since her nomination, Transportation Secretary Elaine Chao has appeared beside her shipping magnate father, whose company carries goods between the United States and Asia, and who has given Chao and her husband at least \$5 million in the past 10 years. In many of the videos, James Chao is introduced as founder and chairman of the Foremost Group shipping company, and, in discussing a 2016 biography about his life, speaks proudly of his daughter's role as secretary of transportation, as she sits beaming by his side. One interview with New China Press published on April 12, 2017, features the pair sitting in what appears to be the Department of Transportation, with DOT flags in view behind the interviewer. Long portions of the interview are in Chinese, with James Chao talking about his life story, with a copy of his biography on the screen, and Elaine Chao extolling her father's success story as "lifting the status of Asian-Americans in America." She also touts his \$40 million gift to Harvard University.

['Scam PACs' Rake in Millions Under Guise of Charity](#)

POLITICO

A web of new political action committees raised nearly \$6 million in recent months under the guise of supporting police, veterans and cancer research. But nearly all the money has gone to their own vendors and staff, as opposed to those causes — hallmarks of so-called scam PACs. Several of the people and entities involved in the new PACs have been investigated for alleged fraud and other illegal practices in the charity sphere. But after coming under scrutiny, they have shifted recently into the much less regulated realm of politics, a POLITICO investigation has found. The new PACs have feel-good names like Cops and Kids Together and Americans for the Cure of Breast Cancer. They have succeeded in raising millions of dollars from small donors in a matter of months — and spent most of it just as quickly, without supporting political candidates or making a mark on a policy issue. Their activities highlight an unpleasant truth: Political groups often receive less oversight and get more leeway than charities, even though they have to disclose more details about their donations and spending. Indeed, the Federal Election Commission has said it is all but powerless to crack down on scam PACs. "A lot of money can be collected without a lot of regulation," said FEC Commissioner Ellen Weintraub.

[In Groundbreaking Ruling, Moms Running for Congress Can Use Campaign Funds for Child Care](#)

Glamour

In a groundbreaking unanimous decision, the commissioners of the FEC ruled Grechen Shirley can use campaign funds to defray the costs of child care as she pursues her run for a New York congressional seat. "The ruling came in just in time for Mother's Day, which is pretty incredible," the Long Island Democrat told reporters on a conference call following the hearing. "I will now be the first woman to ever spend federal campaign dollars that I am raising on a babysitter. And I'm hoping that I'll be just the first," she added. "I'm hoping that this decision inspires thousands of women—and fathers, parents of young children—to run."

[Google Sets New Rules for U.S. Election Ads](#)

Axios

People buying Google ads related to candidates in U.S. federal elections will have to prove they are U.S. citizens or lawful permanent residents beginning July 10, the company says. Google's new policies around verifying election advertisers in the U.S., announced Friday morning, come as it and other web companies race to forestall possible foreign meddling in the midterm elections. Under Google's new rules, people or groups who want to advertise in elections will have to go through a process that includes producing a "government-issued ID" as well as other information, like a Federal Election Commission identification number and an IRS Employer Identification Number. Google says it aims to confirm that buyers are who they say they are and can legally participate in American elections.

[What Data on More Than 3,500 Russian Facebook Ads Reveals](#)

The Washington Post

On Thursday morning, Democratic members of the House Intelligence Committee released 8 gigabytes of archives containing more than 3,500 documents detailing advertisements run on Facebook from 2015 to 2017 and paid for by Russians attempting to interfere in American politics. Overall, the files provide information on thousands of ads, including data on when ad campaigns began, when they ended, how effective they were and how much they cost.... In total, the ad campaigns racked up more than 37 million impressions — how often the ad was displayed to a user. The three peak months for impressions were October 2016, December 2016 and February 2017. But impressions are not engagement. In total, the ads were clicked on about 3.7 million times. Most of those clicks came after the election.

IN THE STATES

[Q&A With County Executive Candidate George Leventhal](#)

Bethesda Magazine

You're one of three candidates in the Democratic primary who has chosen to use the new public campaign finance system. Why did you opt for that route? And what's your response to one of your rivals for the nomination who has questioned spending \$11 million for public funding of campaigns at a time when a revenue shortfall recently prompted more than \$50 million in cuts to the county budget? ... We are seeing an enormous amount of participation in this election. Candidates from many different backgrounds are making themselves available for public office. I do think the public finance system is one of the reasons why we have such a broad and diverse talent pool. Having voted to undergo this experiment in democracy, I felt that principle and consistency dictated that I adhere to the rules that I voted to impose. It's been great: More than 900 people have contributed to my campaign. It's vastly more than contributed to my countywide campaigns in the past. I respect very successful people, but I must tell you—the amount of time I spent soliciting large checks from very rich people, I'm not sorry not to be spending that time. I much prefer the interaction with ordinary Montgomery County residents who might give me 50 bucks or 20 bucks — because I think that the views they share with me in the course of that interaction are more broadly representative of all the folks whom I work for.

[Marchand Rolls Out Plan to Diminish Big Donors in N.H. Governor's Race](#)

NHPR (Online)

Democratic gubernatorial candidate Steve Marchand rolled out a new plan designed to give New Hampshire politicians more incentive to raise campaign money from small-dollar, in-state campaign donations instead of wealthy donors, lobbyists and corporate PACs. "If somebody's unable to give at least \$250 or more, generally you're told by your campaign staff and advisers that they are not worth calling or spending time trying to get money from," Marchand told reporters on a press call outlining his new plan. In turn, he said, that leads many candidates to go after donations from special interest groups or donors who are willing to spend big to advance a particular agenda. With that in mind, Marchand wants to set up a public campaign financing system for candidates running for governor, the state senate and the executive council — three races where, he says, the role of big money is especially prevalent. Under his plan, if a candidate raises a certain amount of donations under \$100 dollars, and most of those donations come from residents of their district, they would get a boost in campaign cash from the state. The specific amount would depend on what office a candidate is seeking.

**Related Story: [Democrats Marchand, Kelly Swear Off Corporate Contributions.](#)*

**Related Story: [Democratic Contender for Governor Wants Big Money Out of N.H. Politics.](#)*

['Democracy Dollars' Campaign Financing Program Could Come to Austin](#)

Spectrum News Austin

The City of Austin is considering a program that would give vouchers to voters, which in turn to give to municipal candidates. Some civic engagement groups believe that when it comes to finding and promoting candidates, money talks.... The Charter Review Commission is weighing in on a so-called "Democracy Dollars" program. Eligible Austin residents would get two \$25 certificates for every city council and mayoral position appearing on their ballot. Then, they could give that money to the candidate of their choice. The idea is to help people without deep pockets donate to their candidates.... Seattle is the only place in the country with a program of this kind. Supporters in Austin are touting the results.

[Ohio Voters Pass Gerrymandering Reform Measure](#)

The Huffington Post

Ohio voters approved a ballot measure on Tuesday that changes the congressional mapmaking process, a move proponents say will rein in excessive partisan gerrymandering. By passing the ballot measure, called Issue 1, Ohioans amended their state Constitution to create four different pathways to draw congressional districts. The new process will go into effect in 2021, when the next round of redistricting takes place. The complex process still leaves redistricting primarily in the hands of lawmakers, but it also builds in significant safeguards intended to prevent one party from shutting the other out of the process and drawing a severely unfair map. Ohioans adopted the measure at a time when there is a strong push to limit the ability state lawmakers have to draw a map that benefits the party in power.

KEY OPINION

[Mar-a-Lago Isn't the 'Winter White House.' It's a Cash Grab.](#)

The Washington Post (Op-Ed by Walter Shaub)

The "Southern White House" is a nearly perfect symbol of the Trump administration's ethical failings. President Trump has on a number of occasions tweeted or spoken the phrase "Southern White House" in reference to Mar-a-Lago, his private club in Palm Beach, Fla.... Other presidents had nicknames for their homes away from Washington, but those were private residences. President George W. Bush, for example, informally dubbed his private ranch in Texas the "Western White House" and even met foreign officials there, but it was a relatively private retreat.... Bush was not implying a link to government, and he definitely was not selling membership privileges with respect to the unassuming four-bedroom, single-story home on his ranch. Now, there is only the sitting president's conflicting financial interest 1,000

miles south of the seat of government. In contrast to the homes of his predecessors, Trump's ostentatious club is a commercial enterprise.... The phrase "Southern White House" is a transparent marketing pitch, connoting the availability of access to power for a price.

[Americans Must Change the Incentives in Our Broken Politics](#)

The Hill (Op-Ed By Former Reps. Tom Davis [R-PA] and Jason Altimire [D-PA])

A new "Problem Solvers Caucus" has been forged in Congress, and reform-minded groups are mentoring "Future Caucuses" of young leaders from both parties at the state level, bringing them together around important issues and promoting the art of bipartisanship.

Demographically balanced "Citizens Juries" are being formed across the country to hear from experts and deliberate in a civil fashion the difficult issues we face. There are also innovative approaches like "NewsGuard," which plans to increase media literacy by rating ten thousand news websites on a scale from responsible journalism to outright "fake news." Our nation has a history of reform and renewal in the face of challenge. All of these efforts and groups honor an American tradition of coming together and finding common ground in times of peril, rallying behind the ideals that unite us, and rejecting the forces of division. We are proud to work alongside them in this critical endeavor.

NEW REPORTS

[Most Americans Want to Limit Campaign Spending](#)

Pew Research Center

Americans overwhelmingly support limits on political campaign spending, and most think new laws could effectively reduce the role of money in politics. A recent Pew Research Center report finds several indications of public concern over campaign spending. There is widespread – and bipartisan – agreement that people who make large political donations should not have more political influence than others, but Americans largely don't see that as a description of the country today. And there is extensive support for reining in campaign spending: 77% of the public says "there should be limits on the amount of money individuals and organizations" can spend on political campaigns; just 20% say they should be able to spend as much as they want. A somewhat smaller majority (65%) says that new campaign finance laws could be written that would be effective in reducing the role of money in politics.

**Related Story: [Most Americans Want to Kill 'Citizens United' with Amendment.](#)*

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