



DEMOCRACY REFORM TASK FORCE WEEKLY NEWS ROUND UP

June 22, 2018

NATIONAL NEWS

[Will the Justice Department Investigate the Trump Foundation?](#)

The New York Time

Election law experts from across the political spectrum largely agreed that the New York attorney general made a compelling case this week that President Trump's campaign and his charitable foundation violated federal campaign finance laws during the 2016 election. What they could not agree on, though, was whether any federal investigators will pick up the case. The allegations were detailed in filings released Thursday by the attorney general, Barbara D. Underwood, as part of a lawsuit her office brought in state court accusing Mr. Trump and his three oldest children of using the Donald J. Trump Foundation for political and business purposes. That constituted a violation of New York State laws governing charities, as well as federal tax and election laws, the lawsuit charged. But Ms. Underwood's office lacks the authority to prosecute federal matters. So, when she filed the lawsuit, she simultaneously sent letters to the Internal Revenue Service and the Federal Election Commission asking those agencies to investigate the alleged violations of federal tax laws and campaign finance laws.

**Related Story: [FEC Dismisses Self-Enrichment Complaint Against Trump Campaign.](#)*

**Related Op-Ed: [Why the IRS Should Go After Trump.](#)*

[Trump Speaking at Super PAC Fundraiser at His D.C. Hotel](#)

The Associated Press

Trump is the keynote speaker at the first America First Action Leadership Summit, which is being held at his hotel in Washington. It's the first official fundraiser for America First Action, the primary super PAC supporting Trump and working to elect candidates who support his agenda. Donors are paying \$100,000 for general admission tickets and \$250,000 for VIP tickets. The group says that among the 150 people attending are Trump's eldest son, Donald

Trump Jr., Sens. Tom Cotton and Ted Cruz, Sheriff David Clarke, former Arkansas Gov. Mike Huckabee, House Majority Leader Kevin McCarthy and former White House press secretary Sean Spicer.

**Related Story: [Uproar Outside Trump Hotel. Inside Calm Sea of Conservative Cash.](#)*

**Related Story: [These Are the GOP Officials Who Have Spent the Most at Trump Properties.](#)*

[Trump's Mar-a-Lago Visits Cost Coast Guard Nearly \\$20M](#)

USA Today

Taxpayers have paid nearly \$20 million for extra Coast Guard patrols that protected President Donald Trump by land and sea during 16 winter and spring trips to West Palm Beach since his inauguration, according to records obtained by USA TODAY. The spending records include all but one of his trips to his Mar-a-Lago estate in South Florida since the inauguration in January 2017. The data, obtained under the Freedom of Information Act, do not include the cost of a weeklong trip in April when Trump hosted Japanese Prime Minister Shinzo Abe. The president has spent 69 days of his presidency at Mar-a-Lago, 33 at his course in Bedminster, New Jersey, and 31 at Trump National in Sterling, Virginia. Each trip to Florida hits the Coast Guard budget for more than \$1 million, the records show, and is only a part of the costs taxpayers pay for the president's affinity for visiting the estate he calls the "Southern White House."

[Buyers Tied to Russia Paid \\$109 Million Cash for Trump Properties](#)

McClatchy DC

Buyers connected to Russia or former Soviet republics made 86 all-cash sales — totaling nearly \$109 million — at 10 Trump-branded properties in South Florida and New York City, according to a new analysis shared with McClatchy. Many of them made purchases using shell companies designed to obscure their identities. "The size and scope of these cash purchases are deeply troubling as they can often signal money laundering activity," said Rep. Adam Schiff of California, the top Democrat on the House Intelligence Committee and a former federal prosecutor... There's nothing illegal about accepting cash for real estate. But transactions that do not involve mortgages — which account for one in four residential purchases in the country — raise red flags for law enforcement officials as it could be a way to commit fraud or launder money.... The all-cash buyers include Alexey Ustaev, founder of a private bank based in St. Petersburg, Russia; Igor Zorin, a government official who runs a state-owned broadcasting company; the wife of hockey player Viacheslav Fetisov; pop star Igor Nikolaev; Roman Sinyavsky, a luxury real estate broker who was one of the first to sell units at a Trump's South Florida building and Evgeny Bachurin, who Russian President

Vladimir Putin fired as head of Russia's Federal Air Transport Agency before becoming a donor to a political action committee supporting Trump, according to American Bridge.

[Delegation from Mueller-Scrutinized Cyprus Gets Deal at Trump Hotel](#)

The Daily Beast

A delegation from the country of Cyprus was looking for ways to influence the Trump administration when it came to Washington D.C. in late May. And so, it did what many savvy influence-peddlers in the nation's capital would do. It booked its conference in the president's hotel. From May 22–25, delegates of the 34th annual International Coordinating Committee's "Justice For Cyprus (PSEKA) Conference" convened at the Trump International Hotel Washington, D.C. The purpose of the gathering was fairly explicit. As laid out in a report in the Cyprus News Agency, an editorially independent but semi-government-funded news outlet, members were looking "into ways of exerting influence on U.S. President Donald Trump with a view to avert the Islamization of the Turkish occupied part of Cyprus." "This seems like a prime example of a special interest hoping that they can influence the president, in part, by bringing business to him," said Noah Bookbinder, a former federal corruption prosecutor and executive director of Citizens for Responsibility and Ethics in Washington.

[The NRA Spent \\$30 Million to Elect Trump](#)

Vanity Fair

The F.B.I. and special counsel Robert Mueller are investigating meetings between N.R.A. officials and powerful Russian operatives, trying to determine if those contacts had anything to do with the gun group spending \$30 million to help elect Donald Trump—triple what it invested on behalf of Mitt Romney in 2012. The use of foreign money in American political campaigns is illegal. One encounter of particular interest to investigators is between Donald Trump Jr. and a Russian banker at an N.R.A. dinner.... The gun group's responses shifted from saying it had received only one contribution from a Russian person in six years; to acknowledging 23 Russian-related contributions since 2015 totaling a little more than \$2,500; to shutting down communications with Wyden.

[National Enquirer Sent Stories About Trump to His Attorney Cohen](#)

The Washington Post

During the presidential campaign, National Enquirer executives sent digital copies of the tabloid's articles and cover images related to Donald Trump and his political opponents to Trump's attorney Michael Cohen in advance of publication, according to three people with knowledge of the matter — an unusual practice that speaks to the close relationship between

Trump and David Pecker, chief executive of American Media Inc., the Enquirer's parent company. Although the company strongly denies ever sharing such material before publication, these three individuals say the sharing of material continued after Trump took office.... The Enquirer's alleged sharing of material pre-publication with Trump's attorney during the campaign highlights the support the tabloid news outlet offered Trump as he ran for president. It also intersects with a subject that federal prosecutors have been investigating since earlier this year: Cohen's efforts to quash negative stories about Trump during the campaign. As part of that, prosecutors are also looking into whether Cohen broke campaign finance laws.

[Senate Sets Up Clash with White House Over China's ZTE](#)

The Washington Post

Congress is headed for a probable showdown over President Trump's recent deal to lift certain penalties against Chinese telecom giant ZTE after the Senate overwhelmingly passed its version of an annual defense authorization bill that would reimpose those punitive measures.... Both the House and Senate versions of the defense policy bill restrict government agencies from purchasing ZTE products. But the Senate bill goes one step further, ordering the reimposition of punitive measures that Trump sought to roll back in a deal they Chinese say is necessary to keep the company from dissolving.... Several lawmakers — including some of the president's close allies — remain concerned that ZTE's products pose a significant national security concern and could be used by the Chinese government to spy on the United States.

[How One Conservative Think Tank Is Stocking Trump's Government](#)

The New York Times

The Trump team may not have been prepared to staff the government, but the Heritage Foundation was. In the summer of 2014, a year before Trump even declared his candidacy, the right-wing think tank had started assembling a 3,000-name searchable database of trusted movement conservatives from around the country who were eager to serve in a post-Obama government. The initiative was called the Project to Restore America, a dog-whistle appeal to the so-called silent majority that foreshadowed Trump's own campaign slogan... Today it is clear that for all the chaos and churn of the current administration, Heritage has achieved a huge strategic victory. Those who worked on the project estimate that hundreds of the people the think tank put forward landed jobs, in just about every government agency. Heritage's recommendations included some of the most prominent members of Trump's cabinet: Scott Pruitt, Betsy DeVos (whose in-laws endowed Heritage's Richard and Helen DeVos Center for Religion and Civil Society), Mick Mulvaney, Rick Perry, Jeff Sessions and many more. Dozens of Heritage employees and alumni also joined the

Trump administration — at last count 66 of them, according to Heritage, with two more still awaiting Senate confirmation. It is a kind of critical mass that Heritage had been working toward for nearly a half-century.

[Ethics Office Weighs 'Corrective Action' for Pruitt](#)

POLITICO

The federal government's top ethics official suggested Friday he is considering a "formal corrective action proceeding" regarding alleged improper behavior by EPA Administrator Scott Pruitt, a perhaps unprecedented step against a sitting member of the president's Cabinet. The head of the independent Office of Government Ethics urged EPA's in-house watchdog to expand its ongoing investigations to review the latest allegations about Pruitt, including that he used EPA resources to find a job for his wife. OGE will look into the findings of that probe to decide how to proceed, acting OGE Director David Apol wrote in a letter to EPA Inspector General Arthur Elkins on Friday. "We ask you to complete your report, as soon as possible, so that we can decide whether to begin a formal corrective action proceeding in order to make a formal recommendation to the President," Apol wrote.

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**Related Story: [Watchdog Groups Press Pruitt for Transparency on Legal Defense Fund.](#)*

[Commerce Secretary Shorted Stock as Negative Coverage Loomed](#)

The New York Times

Commerce Secretary Wilbur L. Ross Jr. shorted stock in a shipping firm — an investment tactic for profiting if share prices fall — days after learning that reporters were preparing a potentially negative story about his dealings with the Kremlin-linked company. The transaction, valued between \$100,000 and \$250,000, took place last fall after Mr. Ross became aware that journalists investigating offshore finances were looking at his investments in the shipper Navigator Holdings, whose major clients included a Russian energy company. The New York Times emailed a list of questions about Navigator to Mr. Ross on Oct. 26. Three business days later, Mr. Ross, a wealthy investor, opened a short position in Navigator, according to filings released on Monday by the Office of Government Ethics. The company's stock price slid about 4 percent before Mr. Ross closed his position on Nov. 16, eleven days after the articles were published by The Times and the International Consortium of Investigative Journalists.

Zinke Linked to Real Estate Deal with Halliburton Chairman

POLITICO

A foundation established by Interior Secretary Ryan Zinke and headed by his wife is playing a key role in a real-estate deal backed by the chairman of Halliburton, the oil-services giant that stands to benefit from any of the Interior Department's decisions to open public lands for oil exploration or change standards for drilling. A group funded by David Lesar, the Halliburton chairman, is planning a large commercial development on a former industrial site near the center of the Zinkes' hometown of Whitefish, a resort area that has grown increasingly popular with wealthy tourists. The development would include a hotel and retail shops. There also would be a microbrewery — a business first proposed in 2012 by Ryan Zinke and for which he lobbied town officials for half a decade. The Whitefish city planner, David Taylor, said in an interview that the project's developer suggested that the microbrewery would be set aside for Zinke to own and operate, though the developer said that no final decisions have been made.

**Related Story: [Public Citizen Seeks Probe of Zinke Connection to Halliburton Chairman](#).*

Supreme Court Sidesteps Partisan Gerrymandering Cases

CNN

The Supreme Court on Monday sidestepped two major cases concerning partisan gerrymandering, allowing controversial district maps to stand and be used in this fall's midterm elections. The 9-0 ruling authored by Chief Justice John Roberts in a Wisconsin case is a blow to Democrats who argued the Republican-drawn maps prevented fair and effective representation by diluting voters' influence and penalizing voters based on their political beliefs. While the ruling will let the maps be used, the justices dodged the question of whether they are legal. The Supreme Court has a standard limiting the over-reliance on race in map-drawing, except under the most limited circumstances. The court has not been successful in developing a test concerning the over-reliance on politics.

**Related Story: [Democrats Seek to Bring Redistricting Case Back Before 2020](#).*

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**Related Op-Ed: [The Best Way to Fix Gerrymandering Is to Make It Useless](#).*

**Related Story: [Nonpartisan-Redistricting Measures Makes Michigan Ballot](#).*

[Pro-Trump Rep. Stewart Benefited From Illegal Campaign Ads on Facebook](#)

VICE News

In the final weeks before Virginia's primary elections on June 12, a previously obscure Facebook page, "Virginians against Tim Kaine," began running ads promoting Republican Corey Stewart, an unapologetic pro-Trump Republican who has made Confederate nostalgia a centerpiece of his campaign to replace Kaine in the Senate. The 19 ads, which all ran in June, clocked between 28,000 and 95,000 impressions and cost up to \$1,900, according to Facebook's recently launched political ad archive. But no one knows who paid for the ads. That includes the voters of Virginia who narrowly elected Stewart to be the Republican nominee by just over 5,000 votes. President Donald Trump quickly endorsed Stewart after his victory, despite the fact that the GOP's own official Senate campaign arm shunned him.

[Trump Wastes No Time After Supreme Court Greenlights Voter Purges](#)

Mother Jones

One day after the Supreme Court upheld voter purging in Ohio, the Justice Department decided to get in on the action. The department sued the state of Kentucky on Tuesday to force it to "systematically remove the names of ineligible voters from the registration records"—and Kentucky quickly agreed to comply.... This is the Trump administration's first lawsuit against a state to force aggressive voter voter purging and could be the beginning of a new effort to curb voting rights. In June 2017—on the same day that President Donald Trump's controversial Election Integrity Commission asked states to hand over sensitive voter data—the Justice Department sent a letter to 44 states informing them it was reviewing their voter list maintenance procedures and asking how they planned to "remove the names of ineligible voters." Vanita Gupta, who led the Justice Department's Civil Rights Division under President Obama, called the letter "virtually unprecedented" and predicted it would lead to new purges.

[Judge Strikes Down Kobach's Voter Law](#)

Talking Points Memo

A federal judge on Monday ruled that Kansas' proof of citizenship voter registration requirement was a violation of the Constitution as well as the National Voter Registration Act. U.S. District Judge Julie Robinson had in previous orders temporarily blocked the requirement, which was championed by Kansas Secretary of State Kris Kobach. Robinson on Monday handed down her decision on merits of the case, which went to trial earlier this

year. Her 100-plus page opinion also knocked Kobach.... She ordered he take six hours of legal ed classes.

[Company That Runs Detention Centers Is Top Donor for 2 Texas Reps](#)

Dallas News

One of the country's largest operators of private immigration detention facilities has made significant contributions to several Texas members of Congress. The GEO Group's PAC and executives have given \$32,900 to Houston Republican Rep. John Culberson's campaign this election cycle. GEO is Culberson's largest donor. In Texas, GEO operates detention centers for Immigration and Customs Enforcement in Karnes City, Laredo, Pearsall and Conroe. Culberson is facing a tough re-election race against Democrat Lizzie Fletcher. The race has been rated a 'toss up' by nonpartisan analyst Cook Political Report. Culberson received the most funding from GEO out of Texas members of Congress. U.S. Rep. Henry Cuellar, D-Laredo, received \$500 less at \$32,400. GEO is also Cuellar's largest campaign donor this cycle. Both Culberson and Cuellar serve on the House Appropriations Homeland Security Subcommittee, which funds private immigration detention centers.

[Crapo Election Funds Draw Scrutiny](#)

Idaho Statesman

Lax campaign finance reporting and ongoing payments to family have prompted new scrutiny of Idaho Sen. Mike Crapo's election funds. In 9 of the past 11 years, Crapo's elections staff failed to properly report certain campaign spending or donations — for an employee's loan, an annual fundraising event and the use of a lobbyist's Washington, D.C., townhouse, federal records show. And over the past two decades, Crapo's campaign has paid nearly \$200,000 to his wife, Susan Crapo, for work that included creating gift bags for that yearly fundraiser... The pattern, however, has drawn attention from a watchdog group — Campaign for Accountability, whose other recent targets include payday lenders, pregnancy crisis centers, rooftop solar providers, various Republican politicians and Google. It has already filed one round of complaints with the FEC about Crapo's use of the townhouse.

IN THE STATES

[Ranked-Choice Voting Fans Hope Maine's Experiment Pays Off](#)

The Associated Press

Maine's first crack at ranked-choice voting went off without a hitch, and backers of the voting method are hopeful the results will motivate other states to give it a try. The state finished its first ranked-choice process Wednesday when it named the winners of Democratic primaries for governor and the 2nd Congressional District. The system, approved by voters in a 2016 referendum, had voters rank their candidate choices from first to last. It's currently used in 11 local jurisdictions around the country, as well as in Maine's primaries and U.S. House and Senate races... Ranked choice will not be used in November's gubernatorial election because of concerns that it could violate the state constitution.

KEY OPINION

[Cohen and the Felony Overtaking Washington](#)

The New York Times (Op-Ed by Lee Fang)

Michael Cohen, the president's personal lawyer and longtime fixer, has recently become the most notorious influence peddler in America, but he is only one man in an army of shadow lobbyists whose power has been growing for years. Much of Mr. Cohen's headline-making behavior is outrageous even by K Street standards. But one of the many alleged misdeeds for which he is reportedly under investigation — knowingly failing to register as a lobbyist, a felony — is routine in Washington. There are thousands of unregistered lobbyists operating off the books thanks to loophole-ridden disclosure rules and lax enforcement of the federal laws on lobbying. Unless these rules are tightened, people less infamous than Michael Cohen will continue courting officials of both parties on the behalf of private interests, out of public view.

[Will the Court Ever Address Gerrymandering](#)

The New York Times (Op-Ed by Richard Pildes)

Decisions on two cases Monday by the Supreme Court — an alleged Republican gerrymander in Wisconsin and a Democratic one in Maryland — shut down one novel approach to attacking partisan gerrymanders on constitutional grounds. But the court did not address the fundamental question of whether it is constitutional to move voters in and out of election districts based on their political viewpoints for the purpose of enabling the party in power to control more seats than it would under a neutral plan. A three-judge federal court has already held that North Carolina did exactly that, violating the Constitution in redrawing its congressional districts.... Looming in the wings, and probably to be heard in the next term is the case from North Carolina, which will squarely test how aggressively courts will be in policing partisan manipulation of district design. We are likely to find out then whether it really

is legal for legislatures to move voters in or out of a district based on their voting histories for no legitimate purpose other than the party in charge of the redistricting is seeking to gain partisan advantage. For now, the verdict is still out on how strong a role courts will play in constraining partisan gerrymandering. But in the long run, the most effective solutions to partisan gerrymandering are going to be approaches that limit the possibilities at the outset.

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