



## DEMOCRACY REFORM TASK FORCE WEEKLY NEWS ROUND UP

FEBRUARY 9, 2018

### NATIONAL NEWS

#### [More Than \\$1M in Campaign Donors' Money Went to Trump in 2017](#)

##### **USA Today**

During President Trump's first year in office, he and other Republicans spent nearly \$1.1 million of donors' money with Trump-aligned businesses, a USA TODAY analysis of recently filed campaign-finance reports shows. Trump, who began raising funds for his re-election on the day he was sworn in, led the way. His campaign spent more than \$688,000 at Trump properties. The largest amount: more than \$476,000 to Trump Tower in New York for rent expenses. The president's 2020 campaign headquarters are housed at his midtown Manhattan skyscraper. Trump's Washington hotel, which opened during the height of the 2016 campaign, took in \$351,000 last year with more than 60% of that coming from the Republican National Committee to host events at the property not far from the White House.

*\*Related Story: [Mar-a-Lago Make-Up: Trump to Headline March 3 Fundraiser](#).*

*\*Related Story: [NRCC Offers Donors Chance for All-Inclusive Trump Winery Trip](#).*

#### [Did Trump Profit From His Own Presidential Transition?](#)

##### **Center for Public Integrity**

Trump for America, a nonprofit that raised millions of private dollars for Donald Trump's presidential transition expenses, still hasn't provided more than vague outlines of its spending and won't say what its plans are for nearly \$2 million in leftover cash. But a Center for Public Integrity review of presidential transition and related records raises the question of whether the group used money it collected from wealthy special interests to pay Trump's company hundreds of thousands of dollars for the transition's use of Trump Tower in New York City. Such an arrangement would have allowed Trump to personally profit from the initial formation of his presidential administration, ethics watchdogs point out.

## [Document Shows GSA Employees Spending at the Trump Hotel](#)

### **CNN**

An employee for the federal agency supervising the lease for the Trump hotel in Washington spent more than \$900 for a stay there last year, according to a document reviewed by CNN -- the first publicly known movement of federal taxpayer dollars into the highly scrutinized business. The federal employee worked for the General Services Administration, the agency which supervises the lease of the Old Post Office building to the Trump Organization. The GSA reimbursed the employee for a majority of the charges, which was in line with the agency's policy on per diem expenses, according to a person familiar with the document. That means taxpayer dollars made their way into the hotel's coffers. The expenses are small relative to the hotel's operation but the charge demonstrate how taxpayer money can flow into the President's businesses, stoking critics who say these payments invite corruption.

*\*Related Story: [GSA Has No Rule Against Feds Staying at Trump's D.C. Hotel.](#)*

## [Trump Org. Revives Project in Dominican Republic, Roiling Local Politics](#)

### **Fast Company**

For President Trump, Haiti may be a “shithole.” But on the other side of the island is a country that he clearly thinks could be a goldmine—and a potential windfall for his family’s business empire. The Trump Organization is close to an agreement in the Dominican Republic with a developer to partner on a project on the east coast of the island, sources on the island tell *Fast Company*. That’s despite Trump’s promise to avoid any new overseas deals while in office, which was intended to avoid potential conflicts of interest such as foreign governments and companies attempting to win favor with the Trump administration. The Trump Organization’s lawyers have insisted that it’s not a new deal but just consistent with an existing licensing deal that the company signed with a local developer back in 2007. The company’s lawyer, Alan Garten, emailed: “Trump at Cap Cana is a phased project to be developed over time.”

## [Trump Nominates New Ethics Office Director](#)

### **The Hill**

President Trump Trump nominated Emory Rounds, a current associate counsel at the Office of Government Ethics, to head the independent agency, the White House announced in a statement. The nomination follows the July 2017 resignation of Walter Shaub, who left over concerns of possible conflicts of interest for Trump and has since become a vocal critic of the president.... Rounds, who was a lawyer for 22 years with the Navy, previously served as an

ethics counsel for the White House for six years during the George W. Bush administration and as an ethics counselor for the Commerce Department, according to the White House.

## [Ethics Office Unofficially OKs Legal Defense Fund for WH Staffers](#)

### **CNN**

White House officials and former Trump campaign aides embroiled in the Russia investigation could soon see their legal bills covered by an outside legal fund. Outside lawyers created a limited liability company called the Patriot Legal Expenses Fund Trust, which will raise money from donors to pay legal expenses for multiple individuals, according to emails between those attorneys and a government agency. A handful of White House officials are already in line to receive funding, a source familiar with the deliberations told CNN. The email exchange, which includes a draft agreement to establish the pool, was posted on the Office of Government Ethics website Thursday night. It describes the framework for the pool, which will "pay for or help defray legal expenses, which can include attorneys' fees, court filing fees, litigation costs or other related fees and costs," according to the document.

## [Husband of Former Trump Household Aide Scores Government Job](#)

### **POLITICO**

A home improvement contractor married to one of Donald and Melania Trump's former household staffers is now working as an official at the Environmental Protection Agency, the latest example of someone with a personal connection to the Trump family finding work in the administration.... New Jersey-based Steve Kopec joined EPA's Region 2 office in New York as a special assistant on Dec. 18, according to a memo obtained by POLITICO. "Steve comes to us from private industry, where he fashioned his career around customer service and organizational efficiencies," EPA Region 2 Administrator Pete Lopez wrote in the memo. "Steve is an experienced manager with skills in team building, management and organization."... According to public records, Kopec previously ran a contracting business from his home in Haskell, New Jersey, called Steve's Tools in Motion. Kopec's wife, Dagmara, previously worked for the Trump family in New York, according to a person familiar with her situation.

## [Corn Syrup Lobbyist Is Helping Set USDA Dietary Guidelines](#)

### **International Business Times**

For a year now, lobbyists have swarmed the White House under President Donald Trump, attaining positions within various federal agencies just days after leaving government affairs jobs at lobbying firms, trade groups and corporations. Back in 2009, then-President Barack Obama issued an executive order on ethics that barred lobbyists from joining agencies they had lobbied in the previous two years. But Trump weakened that order shortly after becoming

president, allowing lobbyists to join agencies they recently lobbied so long as they recused themselves from working on specific issues on which they had lobbied within the previous two years. The Trump administration has been sidestepping even that stipulation — in some cases by ignoring it, and in others, by granting ethics waivers.

## [Trump Mine Safety Nominee Is Lawyer Who Defended Coal Companies](#)

### **CNN**

President Donald Trump's nominee to chair the independent agency tasked with adjudicating mine safety cases is a lawyer who has defended coal companies with safety violations.... Marco Rajkovich was nominated in January to chair the Federal Mine Safety and Health Review Commission, an independent board responsible for deciding cases under the Mine Act of 1977.... Prior to his nomination, Rajkovich worked in Kentucky representing coal companies and argued cases before the commission he is nominated to serve on.... A CNN review has shed new light on Rajkovich's work on behalf of the mining industry, including his representation of a company accused violating code by trying to thwart federal inspections.

## [Trump Withdraws Climate Skeptic Nominee as Top Environmental Adviser](#)

### **The New York Times**

The Trump administration plans to withdraw its nomination of Kathleen Hartnett White, a climate change skeptic, to lead the Council on Environmental Quality.... President Trump in October appointed Ms. White, a former Texas environmental regulator who has said that carbon dioxide should be considered the “gas of life” rather than a pollutant, to be the White House senior environmental adviser. Carbon dioxide emissions contribute to global warming.... The Senate Environment and Public Works Committee approved Ms. White on a party-line vote, but her nomination languished at the end of 2017. That was in part, lawmakers acknowledged, because of Ms. White’s performance at her hearing in which she not only espoused controversial views on climate change but also stumbled over science questions.

## [Revolving Door Between Trump Pentagon, Contractors Spins Faster](#)

### **Bloomberg**

Ties between the Pentagon and the defense industry have deepened under President Donald Trump, prompting renewed concern about conflicts of interest that could result in favoritism toward top military contractors.... More than 80 percent of top Defense Department officials under Trump have defense contractor work experience – in many cases extensive – compared with roughly half of those President Barack Obama appointed to the same jobs, a Bloomberg Government analysis found.... Defense industry supporters say contractor work experience is a highly valuable asset for Pentagon officials, especially those who are part of the acquisition

process.... But key senators of both parties worry about the ethics problems that could arise by putting these former corporate executives in the highest Defense Department posts where they oversee the awarding of billions of dollars of contracts.

## [Lobbyist Hosted Fundraisers for Senators Evaluating EPA Nominee](#)

### **The Intercept**

While waiting for a nomination to the Environmental Protection Agency, Andrew Wheeler, a coal lobbyist, cozied up with the senators who would decide upon his appointment in the most direct way possible: giving them money. Wheeler, who was first rumored to be tapped for the EPA last March, raised funds for Republican senators on the committee that makes the preliminary decision on confirming appointments to the agency. Fundraising documents obtained by The Intercept and the watchdog group Documented show that Wheeler hosted campaign fundraisers for two members of the Senate Committee on Environment and Public Works — Sens. John Barrasso, R-Wyo., and Jim Inhofe., R-Ok. — last May. The event for Inhofe was held at Rosa Mexicano, a Mexican restaurant in downtown Washington, D.C., and the event for Barrasso took place at Wheeler’s office on K Street in the capital. Federal Election Committee records show both senators received donations of Wheeler’s law firm PAC last year. Barrasso received \$2,500 and Inhofe’s leadership PAC received \$1,000.

## [Payday Rules Relax on Trump’s Watch After Lobbying by Lenders](#)

### **The New York Times**

In mid-April, hundreds of members of the payday lending industry will head to Florida for their annual retreat featuring golf and networking at a plush resort just outside Miami. The resort just happens to be the Trump National Doral Golf Club.... It will cap a year in which the industry has gone from villain to victor, the result of a concentrated lobbying campaign that has culminated in the Trump administration’s loosening regulatory grip on payday lenders and a far friendlier approach by the industry’s nemesis, the Consumer Financial Protection Bureau.... Gone is Richard Cordray, the consumer bureau’s director and so-called bad cop, who levied fines and brought lawsuits to crack down on usurious business practices by an industry that offers short-term, high-interest loans that critics say trap vulnerable consumers in a feedback loop of debt. In his place is Mick Mulvaney, the White House budget director and a former South Carolina congressman, who was chosen by President Trump to assume temporary control of the bureau and has emerged as something of a white knight for the payday lending industry.

## [U.S. Consumer Protection Official Puts Equifax Probe on Ice](#)

### **Reuters**

Mick Mulvaney, head of the Consumer Financial Protection Bureau, has pulled back from a full-scale probe of how Equifax failed to protect the personal data of millions of consumers, according to people familiar with the matter.... Equifax said in September that hackers stole personal data it had collected on some 143 million Americans. Richard Cordray, then the CFPB director, authorized an investigation that month.... But Cordray resigned in November and was replaced by Mulvaney, President Donald Trump's budget chief. The CFPB effort against Equifax has sputtered since then, said several government and industry sources, raising questions about how Mulvaney will police a data-warehousing industry that has enormous sway over how much consumers pay to borrow money.... The CFPB has the tools to examine a data breach like Equifax, said John Czwartacki, a spokesman, but the agency is not permitted to acknowledge an open investigation. "The bureau has the desire, expertise, and know-how in-house to vigorously pursue hypothetical matters such as these," he said.

## [FEC Commissioner Who Blocked Regulation of Internet Steps Down](#)

### **Washington Examiner**

Lee E. Goodman, who led a battle to stop Democrats from imposing political regulations on the Internet and news sites like the Drudge Report and other media, is stepping down from the Federal Election Commission. Goodman, an elections lawyer and adviser, plans to leave Feb. 16. He will join the political law group of Wiley Rein in Washington. "Serving the American people as a commissioner of the Federal Election Commission has been a profound honor," he said in a resignation letter to President Trump. For years, Goodman has been a tireless voice for First Amendment rights on the internet. He has blocked several flagrant and subtle efforts by FEC Democrats to impose regulations on conservative media, the internet, and major websites like Fox, the Drudge Report, Facebook, and Twitter.

## [Big Money Campaign Finance System Overshadows Watergate Reforms](#)

### **NPR**

After the Watergate scandals in the 1970s, Congress passed a series of laws to reduce the influence of big donors in politics and to increase transparency. Forty years later, those laws have been weakened by additional legislation and a series of court decisions.... Where the Watergate reforms established a single regulated system used by all candidates to finance their political campaigns, now there are three separate systems.... Candidates and the political parties work mainly within vestigial, regulated system of the 1970s. Big donors benefit from a largely unregulated system that caters to them. And small-dollar, grass-roots supporters use the Internet to give spontaneously or on an automated schedule.

## [Russians Penetrated U.S. Voter Systems, Top U.S. Official Says](#)

## **NBC News**

The U.S. official in charge of protecting American elections from hacking says the Russians successfully penetrated the voter registration rolls of several U.S. states prior to the 2016 presidential election.... In an exclusive interview with NBC News, Jeanette Manfra, the head of cybersecurity at the Department of Homeland Security, said she couldn't talk about classified information publicly, but in 2016, "We saw a targeting of 21 states and an exceptionally small number of them were actually successfully penetrated." ... Jeh Johnson, who was DHS secretary during the Russian intrusions, said, "2016 was a wake-up call and now it's incumbent upon states and the Feds to do something about it before our democracy is attacked again." ... But Johnson told NBC News he is now worried that since the 2016 election a lot of states have done little to nothing "to actually harden their cybersecurity." ... Manfra said she didn't agree with Johnson's assessment. "I would say they have all taken it seriously." ... NBC News reached out to the 21 states that were targeted. Five states, including Texas and California, said they were never attacked.... Manfra said she stands by the list, but also called it a "snapshot in time with the visibility that the department had at that time."

## [Senate Intelligence Committee Writing Report on Election Vulnerabilities](#)

### **Wall Street Journal**

The Senate Intelligence Committee is drafting a report on vulnerabilities in the U.S. election system that is expected to be released in the coming weeks, according to lawmakers and aides, in what will be the first product of a yearlong investigation into Russian interference in the 2016 election. The leaders of the Senate Intelligence Committee said they hope to have it completed by March.... The report still needs to be vetted and approved by multiple federal agencies to ensure the protection of classified information.

*\*Related Story: [Kremlin is Back, and U.S. Elections Aren't Ready.](#)*

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## **IN THE STATES**

## [D.C. Council Sends Public Campaign Finance Bill to Bowser](#)

### **The Washington Post**

The D.C. Council on Tuesday gave final approval to legislation authorizing publicly financed campaigns, clashing with Mayor Muriel E. Bowser (D), who vowed she wouldn't fund the program.... The bill sailed through passage without discussion or debate, as was expected after the council unanimously approved the measure in January. Under the voluntary system, qualified candidates would receive a base sum that varies by office, maxing out at \$160,000 for

the mayoral contest, along with a 5-to-1 match on small donations.... Advocates say such financing will open local politics to new candidates, increase the small donors' power and reduce the sway of wealthy campaign contributors. But critics including Bowser say the program, projected to cost D.C. taxpayers \$5 million a year, will waste valuable funds.

## [Seattle Says Facebook is Violating Law About Election Ads](#)

### **The News Tribune**

Facebook is violating a Seattle law that requires the company to reveal who pays for political advertising on its influential social media platform, the city's elections watchdog said Monday. The rebuke comes after the internet giant had promised federal authorities that it would be more forthcoming about the money behind political ads. Wayne Barnett, executive director of the Seattle Ethics and Elections Commission, said in a statement that Facebook had failed to give adequate detail about its advertisers' spending in the 2017 city elections.

## [Court Allows Pennsylvania to Redraw GOP-Favored District Map](#)

### **The Associated Press**

The U.S. Supreme Court on Monday let a court-ordered redrawing of congressional districts in Pennsylvania proceed, raising Democratic hopes that a revamped map might yield them several more seats this fall.... Justice Samuel Alito, who handles emergency appeals from Pennsylvania, rejected the request from GOP legislative leaders and voters to put on hold an order from the state Supreme Court intended to produce new congressional districts in the coming two weeks.... The Pennsylvania high court ruled last month that the current map of 18 districts violates the state constitution because it unfairly benefits Republicans.

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