

DEMOCRACY REFORM TASK FORCE WEEKLY NEWS ROUND UP

July 13, 2018

NATIONAL NEWS

Kavanaugh Argued Presidents Should Not Face Investigations or Lawsuits

The Washington Post

U.S. Circuit Judge Brett M. Kavanaugh, a former clerk for Supreme Court Justice Anthony M. Kennedy who was nominated replace him, has argued that presidents should not be distracted by civil lawsuits, criminal investigations or even questions from a prosecutor or defense attorney while in office. Kavanaugh had direct personal experience that informed his 2009 article for the Minnesota Law Review: He helped investigate President Bill Clinton as part of independent counsel Kenneth W. Starr's team and then served for five years as a close aide to President George W. Bush. Having observed the weighty issues that can consume a president, Kavanaugh wrote, the nation's chief executive should be exempt from "time-consuming and distracting" lawsuits and investigations, which "would ill serve the public interest, especially in times of financial or national security crisis."

*Related Story: Kavanaugh Views on Campaign Finance, Presidential Power, Troubling.

*Related Story: Brett Kavanaugh Could Bring Avalanche of Big Money to Elections.

*Related Opinion: On Kavanaugh and Campaign Finance.

*Related Opinion: The Supreme Court vs. Democracy.

Trump Asks Business Groups for Help Pushing Kavanaugh Confirmation POLITICO

The White House on Monday immediately played up Brett Kavanaugh's pro-business, antiregulation record and is asking industry trade groups for help pushing his confirmation through the Senate. As President Trump introduced the nominee during a Monday evening ceremony, the White House was touting Kavanaugh's record battling "overregulation" in a document sent to industry stakeholders.... With Republicans holding only a sliver of a majority in the Senate, deep-pocketed business groups could have enough influence, especially in an election year, to help swing votes in Kavanaugh's favor. In early July, the White House asked industry leaders for input and several groups — including the National Federation of Independent Business and the National Association of Home Builders — declared a preference for Kavanaugh.

Some Members of Trump's Exclusive Clubs Appear on Air Force One Tour

BuzzFeed

Some members of President Donald Trump's exclusive Florida clubs appear to have been invited to an Air Force One tour last year, according to an invitation obtained by BuzzFeed News, which was cross-checked with records received through a Freedom of Information Act request. Members would not confirm or deny that they actually attended, but the invitations would raise more questions about the blurry line between Trump's administration and his family's private businesses. Although past administrations have given Air Force One tours to friends, family, and even donors, in this case, those attending would have paid Trump's exclusive clubs thousands of dollars annually. Two separate tours were scheduled at the Atlantic Aviation FBO at Palm Beach International for 1 p.m. and 2 p.m. on Feb. 18, 2017 — hours before Trump held his first 2020 campaign rally less than 120 miles away in Orlando.

<u>Trump Foundation Donated to Charities that Booked Galas at Mar-a-</u> Lago

Palm Beach Post

Nearly all of the \$706,000 in donations made by the Donald J. Trump Foundation in Palm Beach County since 2008 went to charities that hosted lavish fundraisers at Mar-a-Lago — the president's highest-profile business in the county. While the timing and frequency of the donations suggest charities that fete at Mar-a-Lago — especially those that return after fundraising at other venues — are rewarded for their loyalty, several local charities said the donations were not a quid pro quo or a reward for doing business with Trump....

Nonetheless, a Palm Beach Post review of the Trump Foundation's tax records found a pattern — donations, typically \$25,000 — to eight charities after they relocated their events to the Trump family's private Palm Beach club. That list included the event widely considered the grandest gala of the island's social season, the Red Cross Ball.

Watchdog Wants FEC to Investigate Trump 2016 Fundraising

Courthouse News

A campaign watchdog group filed a complaint with the Federal Election Commission Wednesday claiming President Donald Trump, his 2016 presidential campaign and the nonprofit Trump Foundation may have committed numerous campaign finance law violations.

In a 17-page complaint filed with the commission Wednesday afternoon, the nonprofit says the "soft money" violations first occurred ahead of the 2016 lowa caucuses when donors at a campaign function were told "it is imperative that you all get out and caucus for Donald J. Trump and vote for Donald J. Trump." The campaign is then alleged to have directed the funds to the Trump Foundation, which used them to back checks "emblazoned with the Trump campaign slogan" to help get Trump elected. The fundraising event was then live broadcast with Trump announcing donation amounts with some as high as \$1 million.

Countries Hosting Trump Businesses Added Lobbyists at Rapid Pace Map Light

More than one-third of lobbyists who have registered as foreign agents with the Justice Department since President Donald Trump took office are representing countries with Trump-related business interests, according to a MapLight review. More than 400 lobbyists have registered to represent foreign interests in the 16 months since Trump took office. Records show 142 new foreign agents are working for 20 countries where Trump has business interests, including Saudi Arabia, China, Turkey, Azerbaijan, and Qatar. By contrast, former President Barack Obama's Justice Department recorded 238 new foreign lobbyists during his first 16 months in office. There were 223 registrations reported during the same period under former President George W. Bush... The flood of registrations has occurred as Trump ignores allegations that he's violating the U.S. Constitution's emoluments clause, which forbids the president from using the White House for personal financial gain. Trump acknowledged interests in 144 businesses located in 25 countries in his 2016 financial disclosure statement.

FEC Dismisses Complaint Alleging Trump Org Made Illegal Contributions

The Hill

Federal Election Commission (FEC) officials wrote in documents released Friday that the Trump Organization may have made an illegal contribution to the Trump campaign by having a staffer assist Melania Trump with her speech at the Republican National Convention, but dismissed the complaint because the action was too minor to be considered a violation of law.

FEC lawyers wrote in an April 2017 filing, first made public on Friday, that Trump Organization employee Meredith McIver's assistance in writing Trump's July 2016 speech may have resulted in "a corporate contribution to the Committee." However, commissioners wrote that because the value of such services appeared to be too minor, the commission decided to dismiss it

Super Polluting Trucks Receive Loophole on Pruitt's Last Day

The New York Times

In the final hours of Scott Pruitt's tenure as administrator, the Environmental Protection Agency moved on Friday to effectively grant a loophole that will allow a major increase in the manufacturing of a diesel freight truck that produces as much as 55 times the air pollution as trucks that have modern emissions controls. The move by the E.P.A. came after intense lobbying by a small set of manufacturers that sell glider trucks, which use old engines built before new technologies significantly reduced emissions of particulates and nitrogen oxide that are blamed for asthma, lung cancer and other ailments.

*Related Story: Subpoena Sought Over Allegations EPA Mishandled Record Requests.

Andrew Wheeler's Long History with the Energy Sector

OpenSecrets

Andrew Wheeler, the new acting administrator at the Environmental Protection Agency, is a rank-and-file member of Washington's revolving door.... Wheeler worked for over a decade as a top aide for Sen. Jim Inhofe (R-Okla.), a skeptic of climate change, on environmental policy and helped to reduce government regulations on industries that create greenhouse gases. Most of his time on Capitol Hill was spent as Inhofe's chief counsel and staff director for the Senate Committee on Environment and Public Works. He then used his environmental policy experience to become a lobbyist for the law firm Faegre Baker Daniels, where he represented energy companies such as coal producer Murray Energy, which was his best-paying client. The coal-mining company paid his firm between \$160,000-\$559,000 annually from 2009 through 2017, according to CRP's records.... Wheeler lobbied against climate change policies and the regulation of greenhouse gas emissions when he represented Murray Energy. As recently as March 2017, Wheeler set up a meeting between Murray and Energy Secretary Rick Perry to advocate for the rollback of environmental regulations and protect the fluctuating coal industry, according to The Washington Post.

*Related Story: New EPA Acting Chief Defends Past Coal Industry Lobbying.

Wilbur Ross Admits to Another Tardy Stock Sale

The Washington Post

Commerce Secretary Wilbur Ross last week disclosed a tardy sale of stock he had pledged to divest, saying he had overlooked the shares because they were held in a separate account. Ross told the Office of Government Ethics that on June 11 he sold 1,631 shares of Air Lease Corp. worth between \$50,000 and \$100,000. Air Lease is a leading commercial aircraft leasing company with more than 300 aircraft. Ross was a director of Air Lease from 2010 through 2013, and he obtained the shares as part of a stock plan for directors of the company. But the shares were under the name Wilbur L. Ross, whereas the others were listed without his middle initial, Ross said. As a result, he said he had overlooked them until he received a check for less than \$200 in dividend payments that had gone unclaimed.

*Related Story: Government Ethics Office Scolds Wilbur Ross Over Stock Sales.

Kushner's Firm Depends Ties to Those With Business in Washington

The New York Times

Eighteen months into Jared Kushner's White House tenure, his family's real estate firm is deepening its financial relationships with institutions and individuals that have a lot riding on decisions made by the federal government. In the latest example, an arm of Brookfield Asset Management is close to completing an investment of up to \$700 million in the Kushner family's tower at 666 Fifth Avenue in Manhattan. The deal will be a boon to the Kushners, who are struggling to recoup their investments in their flagship building. At the same time, another Brookfield unit is awaiting the Trump administration's approval of its acquisition of the nuclear-power company Westinghouse Electric. The deal is being reviewed by the Committee on Foreign Investment in the United States, made up of senior federal officials who consider the potential national security risks of transactions involving foreign companies.

Trump's Top Hill Aide Leaving White House Amid Supreme Court Battle POLITICO

President Donald Trump's legislative affairs director is heading for the exits just as the White House gears up for a major Supreme Court nomination battle and approaches a daunting midterm election landscape. Marc Short, one of the administration's longest-serving senior aides and a frequent spokesperson for the president on television, is planning to depart by July 20, according to a person familiar with the plans. Short, who declined to comment on the record, is taking a position at Guidepost Strategies consulting firm and will teach at the University of Virginia's business school, where he received his MBA, and will also serve as a senior fellow at the university's Miller Center.

Giuliani Works for Foreign Clients While Serving as Trump's Attorney

The Washington Post

Rudolph W. Giuliani continues to work on behalf of foreign clients both personally and through his namesake security firm while serving as President Trump's personal attorney — an arrangement experts say raises conflict of interest concerns and could run afoul of federal ethics laws. Giuliani said in recent interviews with The Washington Post that he is working with clients in Brazil and Colombia, among other countries, as well as delivering paid speeches for a controversial Iranian dissident group. He has never registered with the Justice Department on behalf of his overseas clients, asserting it is not necessary because he does not directly lobby the U.S. government and is not charging Trump for his services. His decision to continue representing foreign entities also departs from standard practice for presidential attorneys, who in the past have generally sought to sever any ties that could create conflicts.

Pence's Top Aide, Tied to Greitens, Targeted in Missouri Ethics Complaint

St. Louis Post-Dispatch

The chief of staff to Vice President Mike Pence discussed soliciting contributions from "restricted donors" while he was advising future Missouri Gov. Eric Greitens' 2016 campaign, according to a complaint filed Tuesday with the state's ethics commission. The complaint also says that Greitens for Missouri, which Pence chief of staff Nick Ayers advised, "funneled" donations through 501(c)(4) nonprofits, which do not have to reveal donor identities. One potential donor, according to an email a Missouri House investigative committee obtained, was employed by a company that "manages money for the state of Missouri" — and could thus be barred by federal law from donating to political campaigns.

*Related Story: Nick Ayers Denies Breaking the Law While Running Greitens Campaign.

FEC Calls Out Ted Cruz Campaign for Exceeding Donation Limits

Dallas News

Sen. Ted Cruz's Senate campaign committee has received three letters from the Federal Election Commission this election cycle for accepting campaign contributions that exceeded federal limits. The FEC sent the "Ted Cruz for Senate" committee letters in September, April and June. The letters were first reported by the *Houston Chronicle*. Cruz's campaign has received the most notices of excessive contribution out of 32 Senate campaigns.... Brett Kappel works on FEC compliance cases as an attorney, and said it is rare for Senate campaigns to receive repeated notices of contribution limit violations. However, he said the

letters to Cruz's committee have been from the FEC's reporting analysis division, not its enforcement division.

Vern Buchanan Bought Yacht After Voting for GOP Tax Bill

Florida Politics

A recently filed financial disclosure shows U.S. Rep. Vern Buchanan celebrated passing the House version of the Republican tax bill in quite the lavish way. According to the disclosure, Buchanan spent between \$1 million and \$5 million purchasing an Ocean Alexander yacht on Nov. 16, 2017, the same day he joined 226 other Republicans and no Democrats in voting for the first draft of the "Tax Cuts and Jobs Act."

Campaign Finance Is Main Focus in U.S. House Primary Race

VT Digger

Campaign finance is shaping up to be a key issue for challengers of incumbent Rep. Peter Welch in the Democratic primary for Vermont's sole U.S. House seat next month. Both Dan Freilich and Ben Mitchell say that campaign finance and Welch's acceptance of donations from political committees associated with large corporations are among their top concerns. However, Welch, who is running for his seventh term has defended his campaign funding, saying he is transparent about his donations and his expenditures. Those donations do not have an impact on his actions, he said. For Freilich, his desire to run for public office is rooted in part in his experience as a Navy doctor in Maryland, where he was often assigned to travel with members of Congress on official delegation trips.

IN THE STATES

In Maine: Popular Campaign Finance Reform in Jeopardy Over Typo IVN

Maine State Treasurer and independent gubernatorial candidate Terry Hayes was joined by state representatives, former legislators, and others Monday to call on lawmakers to pass the error and omissions bill needed to restore Clean Elections funding for the 2018 election cycle. There are 191 candidates running for office in Maine, including Hayes and members of all five legislative caucuses, using the publicly-financed Clean Elections program. These campaigns are underway, but they are being denied funding they are guaranteed by law because of a typo in the state budget.... "The voters of Maine passed this law overwhelmingly in 1996, again in 2015, and the legislature has consistently funded it for the

past 20 years. Because of a typo, candidates who committed to the program are unable to access the funds they were promised under Maine state law," stated Hayes at the press conference.

KEY OPINION

Americans Think 'Corruption' is Everywhere. Is That Why We Vote for It?

The New York Times

An obsession with corruption is an American tradition.... You could argue that Americans have been well served by this anxiety. By international standards, we live in a cleanly run country, and always have. For all but two of the 23 years that Transparency International has published its index, the United States has appeared in the Top 20 least-evidentlycorrupt countries.... If this reflects the legacy of the founders' anxieties, it also reflects Americans' expansive definition of "corruption." The idea suffuses our politics and hangs heavily over any intersection of money and politics, however legal: The practice of earmarking appropriations bills is "inherently corrupt," in the view of the former Republican senator Tom Coburn; the sweeping tax bill that Republicans hastily drafted and passed last year would have them "nailed with corruption," Howard Dean vowed; post-Citizens United election spending is a "corrupt campaign-finance system," in Bernie Sanders's formulation.... Eventually the idea of reforming institutions starts to seem bewilderingly difficult — harder than just tearing them down. This is why anti-corruption crusades are expedient platforms for demagogues and authoritarians.... What is incredible about this is not just that so many Americans now accept the sort of drastic rhetoric that usually only flies in countries with actual, existential corruption problems. It's the fact that so many people accept it from, of all people, Donald Trump.... It's possible, however, to see Trump not as an exception but as the logical conclusion of a national fear of corruption that long ago curdled into a self-satisfied conviction that everything and everyone in politics already is corrupt. Trump campaigned on the idea, after all.

The Most Politically Savvy Thing Democrats Can Do

The Week (Opinion)

And it is true, campaigns — presidential ones especially — cost money. But there is a strong case that taking money from the ultra-rich in particular is an electoral handicap for Democrats. For even the most hardened, cynical Democratic operative, it's time to think about ditching the donor class.... There are more fundamental reasons to be suspicious of big donor cash. The first is that it comes with big, and potentially very unpopular, strings

attached.... The second is that campaign cash has diminishing returns....Third, going for the big donor cash means foreclosing alternative sources of money and significant enthusiasm.... Democrats should take notice, and stop assuming that being a big money sellout is a guaranteed political winner.

Don't Let Nonprofits Hide Political Donations

Herald-Tribune (Editorial)

There was broad-based agreement that the names of individuals and, later, corporations and unions should be clearly stated and open to the public — whether they had made contributions directly to candidates or were making "independent expenditures" linked to "electioneering communication." The erosion of that consensus was accelerated by a 2010 U.S. Supreme Court decision, Citizens United vs. Federal Election Commission.... The Citizens United case has had many impacts, one of the most significant of which is a dramatic expansion of nonprofit organizations seeking tax-exempt status under Section 501(c)(4) of the U.S. tax code.... Yet, as we have written previously, many 501(c)(4) groups, including some of the largest and richest, have been overtly political or closely tied to so-called super Political Action Committees that raise funds to directly influence elections.... Worse, the use of organizations that are exempt from naming donors has spread not only to federal and state races but to local campaigns as well — further eroding the belief that openness and disclosure are key components of elections in a representative democracy.

