

**Education Fund** 



# Shucking the Bucks:

Another Record Harvest for Nebraska's Lobbyists

Nebraska Lobbying Report 2020

#### **Acknowledgments**

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Additional support is provided by the Common Cause Education Fund, the research and public education affiliate of Common Cause and its 1.2 million supporters. Founded by John Gardner in 1970, Common Cause has helped everyday Americans exert their power by working together over the last 50 years. We create open, honest and accountable government that serves the public interest; promote equal rights, opportunities and representation for all; and empower all people to make their voices heard in the political process.

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The salvation of the state is watchfulness of the citizen. —Hartley Burr Alexander

Over the years, Nebraska's unicameral legislature has given lobbyers a great deal of freedom and limited disclosure. As an organization that tracks political spending, Common Cause Nebraska has seen the impact that money has on our elections and what happens in the unicameral throughout the year.

Our senators earn \$12,000 per year in office and then swing through a revolving door and earn \$100,000 the next year as lobbyists. Forty-four states have limits on the transition from public servant to lobbyist. Nebraska does not.

Publicly supported entities, such as school districts and municipalities, pour their tax dollars into professional lobbyists with the hope of getting a larger share of tax dollars during the state budgeting process. Twenty-three states have limits on how public funds are used for lobbying. Nebraska does not.

In 2019, lobbyers spent \$455,120 on entertainment, gifts, and tickets to events. Some will argue that political spending is fine as long as we require transparency. But it is impossible in Nebraska to track lobbying expenditures to specific senators or bills. The recipients of food and beverages are not identifiable, and gifts such as tickets are only reported if valued over \$100 or given by the University of Nebraska. Few, if any, states gather that kind of information, but it would be an important tool for measuring influence.

Although other government officials receive the attention of lobbyists, most of the dollars were spent on our 49 senators. That translates into lobbyists courting elected officials through dinners, drinks, tickets and campaign contributions, with little opportunity for the public to know who is being influenced or by whom.

All year long, campaign contributions from lobbyists and their clients flow freely to our elected state officials. During the legislative session, lobbyists hold breakfast fundraisers in restaurants around the capitol hours before a bill is voted on. Fifteen states have prohibitions or restrictions on lobbyist contributions during the year, and 14 states restrict lobbyists' contributions during legislative sessions. Nebraska has zero restrictions.

In the 2020 report, our goal is to provide the research supporting our concerns, as well as guidance for understanding the data. Common Cause Nebraska continues to be a government watchdog, but it is the people of Nebraska who must hold our public officials accountable. The professional lobby works for those who have the money to pay for influence, but we, the people, have the power to vote.

Jack Gould Issues Chair, Common Cause Nebraska

### **TABLE OF CONTENTS**

Principals' Expenses	5
Nebraska's Active Lobbyists	5
Who Spends the Most on Lobbying? Who Makes the Most?	6 7
Public Education Lobbying	7
University Lobbying	8
Tracking the Money	9
The University Again	9
And Now for Some Real Money	13
Political Action Committees (PACs) Client Campaign Contributions	13 13
In-Session Fundraisers	17
An Opportunity to Make a Real Friend	17
The Revolving Door	18
American Legislative Exchange Council (ALEC)	19
A Lobbying Organization with Secrets	19
Conclusion	20

Common Cause 🌟 3

4 🖌 Shucking the Bucks: Another Record Harvest for Nebraska's Lobbyists

## **PRINCIPALS' EXPENSES**

The principals, those entities that employ lobbyists, often spend more money on entertainment and gifts than what their lobbyists spend. As a result, the principals' reports show a more accurate picture of the total lobbying expense.

The following chart shows itemized lobbying expenses from 2015 through 2019 based on the principals' reports to the Nebraska Accountability and Disclosure Commission (NADC).

	2015	2016	2017	2018	2019
Lobbyist Compensation	14,506,302	15,743,320	16,188,266	16,056,059	17,890,614
Lobbyist Reimbursement	442,365	282,023	334,074	354,243	575,688
Entertainment	370,702	446,750	467,030	364,085	424,656
Miscellaneous	218,853	137,824	214,512	153,310	325,388
Office Supplies	33,180	47,338	74,844	54,077	20,196
Gifts and Tickets	25,784	25,558	26,332	24,535	31,464
Travel	41,759	46,012	41,503	28,873	51,225
Lodging	6,345	25,856	7,515	8,477	37,782
Total Expense	15,645,290	16,754,681	17,354,076	17,040,815	19,357,018

The 2019 statistics were recorded on February 12, 2020, from principals' reports for NADC. \*Red indicates the record amount.

It is interesting to evaluate the entertainment figure. Of the \$424,656 reported spending, \$120,040 was spent on our 49 legislators, \$5,710 was spent on elected executive branch officials and a whopping \$298,906 was spent on "others." The others could be nonelected chief executive officers and directors of the many departments of government or legislative staff. It is impossible to track this money. Also, it is important to note that entertainment does not include gifts and tickets.

## **NEBRASKA'S ACTIVE LOBBYISTS**

The following chart shows the number of registered lobbyists and principals tabulated by the clerk of the legislature's office from 2015 through 2019. The term "principal" identifies all entities that provide lobbyists. *The number of compensated lobbyists and principals reached an all-time high in 2019.* 

Registered	2015	2016	2017	2018	2019
Compensated Lobbyists	351	364	377	378	405
Volunteer Lobbyists	42	33	41	36	40
Principals	545	543	550	553	585
Volunteer Organizations	36	33	36	28	27

The statistics were recorded on February 20, 2020, from the clerk's office. \* Red indicates the record amount.

Dividing the total lobbyist compensation by the total number of lobbyists gives you an average income figure of \$44,174.33, but this does not even close to telling the story. The largest firms and the major lobbyists appear to collect the bulk of the cash.

#### Who Spends the Most on Lobbying?

Lobbyists don't come cheap! For many special interests, recruiting a lobbyist is much like hiring a top executive or maybe two. In the chart that follows, we have identified 10 of the top spenders or principals over the last five years. Altria Client Services, the parent company of tobacco giant Philip Morris, spent the most in 2019 and captured the five-year highest total for the third time.

All of these principles are major players at the statehouse, and they have the money to exert their influence when they want to.

Principal	2015	2016	2017	2018	2019	Five-Year Total
Fincipai	2013	2010	2017	2010	2013	Total
Altria Client Services	134,626	207,338	160,040	181,818	267,287	951,109
Nebraska Chamber of Commerce	162,162	218,338	242,198	144,757	96,979	864,434
League of Municipal	194,024	173,563	184,832	128,556	\$160,761	841,736
University of Nebraska	165,671	150,142	141,902	131,299	143,058	732,072
Nebraska Banker's Association	205,470	106,459	147,330	117,491	132,582	709,332
Nebraska Council School Administration	127,889	108,381	130,891	166,053	166,243	699,457
Nebraska County Officials	110,292	91,658	79,679	114,927	164,728	561,284
City of Lincoln	100,819	110,558	107,804	104,101	117,601	540,883
Nebraska State Education Association	102,361	93,879	112,656	97,062	107,302	513,260
Blue Cross Blue Shield	58,815	91,520	88,236	118,587	111,316	468,474

The statistics were recorded on February 24, 2020, from the principals' reports for NADC. \*Red indicates the record amount.

#### Who Makes the Most?

When reviewing this chart, keep in mind that Nebraska's 49 senators are paid \$12,000 a year.

#### Top-10, Highest-Paid Lobbying Firms

	2015	2016	2017	2018	2019	Five-Year Total
Mueller/Robak	1,438,822	1,517,837	1,466,039	1,453,718	1,429,828	7,306,244
Radcliffe/Assoc	1,213,919	1,257,776	1,164,984	1,187,424	1,410,738	6,234,841
O'Hara/Lindsay	979,728	1,053,596	917,730	860,592	974,070	4,785,716
Peetz & Company	643,100	695,948	688,067	799,324	806,650	3,633,089
American						
Communications Inc.	607,115	596,430	628,423	648,699	640,116	3,120,783
Kissel/E+S	630,208	483,668	645,138	574,884	548,310	2,882,208
Nowka/Edwards	573,324	626,309	644,703	552,035	576,385	2,972,756
Bromm/Assoc	211,571	232,656	636,057	677,448	623,121	2,380,853
Husch Blackwell	414,689	551,452	537,127	97,846	458,597	2,059,711
Zulkoski Weber	15,417	395,234	373,162	465,396	681,828	1,931,037

The statistics were recorded on February 28, 2020. \*Records are indicated in red.

## **PUBLIC EDUCATION LOBBYING**

Many public entities spend tax dollars to get more tax dollars. Nebraska's Public Schools are among those entities. The school funding formula has remained a mystery to taxpayers and administrators alike. It is nearly impossible to predict how much state aid any district will get in any given year. There are just too many variables in the formula. *The only sure thing about the formula is the likelihood that it will be changed. Nebraska schools suffer because the formula has never been fully funded.* 

Paid lobbyists are one tool school districts use to manipulate the formula and protect their own interests. Those school districts that have the extra funds to invest in lobbying seem to exert greater influence, while districts lacking in wealth find themselves on the outside looking in. Lobbying does not work for all children, only those in the districts that can pay.

There are 272 school districts in Nebraska, but only 15 have their own professional lobbyist. The following chart identifies the 16 school districts and The Learning Community that have the resources to hire lobbyists.

Schools	2015	2016	2017	2018	2019	Five-Year Total
Adams Central	5,200	5,200	5,200	5,200	5,200	26,000
Bellevue	58,400	54,200	54,200	54,200	54,200	275,200
Bennington	18,200	9,200	4,700	5,200	5,200	45,500
Douglas County West	10,200	20,232	12,500	25,000	25,992	93,924
Elkhorn	25,200	25,200	21,200	28,200	28,200	128,000
Grand Island Northwest	5,200	5,200	5,400	5,000	5,200	26,000
Grand Island	30,000	30,750	31,519	32,307	33,276	157,852
Lakeview	5,000	5,200	5,200	0	0	15,400
Lincoln	40,000	41,655	38,281	33,756	21,600	175,292
Millard	62,280	62,206	67,368	67,032	67,109	325,995
Omaha	67,125	78,338	72,394	72,717	72,346	362,920
Papillion	36,200	36,200	35,700	36,150	39,000	183,250
Ralston	30,093	41,328	38,474	39,509	40,000	189,404
Springfield Platt	10,000	20,232	27,700	27,500	14,263	99,695
Westside	19,666	0	20,002	14,158	5,950	59,776
The Learning Community	26,994	26,964	26,933	27,783	28,283	136,957

The statistics for 2018 were recorded on February 26, 2020, from principals' reports \*Red Indicates Record

Over the last five years, Omaha Public Schools has spent the most, with Millard in second place and Bellevue in third.

The numbers are not staggering, but those districts that have their own lobbyist must believe they have an advantage, or they wouldn't spend the money. What about the 257 school districts that can't afford a lobbyist? Are they at a serious disadvantage?

#### **University Lobbying**

The University of Nebraska, although not affected by the school funding formula, also competes for education tax dollars.

In 2018, the university employed former Senator Heath Mello as its lobbyist and the lobbying firm of Peetz & Company to back him up. That year, the university lobbying team spent \$44,220 on entertaining state officials and provided \$2,391 in gifts. The university also distributed \$19,994 worth of tickets to events. The grand total came to \$66,605.

The university paid Mello \$67,155 in his role as a lobbyist and paid the lobbying firm Peetz & Company \$30,000. Between them, there is always someone to advance the university's agenda at the unicameral, and they often give event tickets to both elected officials and their staffs.

Statistics indicate that the University of Nebraska is the largest entertainer at the unicameral.

## **TRACKING THE MONEY**

When we examine entertainment spending, it is almost as if lobbyers wrote the rules to confuse the public. For example, lobbyists are restricted to gifts of \$50 per month, per senator. Senators must report only gifts valued over \$100. Gifts of food and beverages are excluded from reporting, except as they show up in the total enter-tainment figures for both the lobbyist and the principal.

In other words, it is nearly impossible to find out how much any lobbyist spent entertaining an individual senator or executive officer. For example, it would be legal for a senator to receive a monthly \$50 gift from all 445 registered lobbyists, be gifted every meal he or she eats and never report a cent. From the other perspective, senators have no idea how much is being spent on their colleagues.

Common Cause Nebraska believes that gifts and entertainment shouldn't be tools lobbyers can use. Lobbyists should be on an equal footing with the public, and members of the public should not be expected to wine, dine, or entertain their elected officials to have their voices heard. We have advocated for legislation requiring greater disclosure of entertainment spending, but it rarely gets out of Government Committee.

#### **The University Again**

The University of Nebraska is required by statute to disclose to whom tickets are given. This is important because the university is the only principal required to itemize and value gift tickets. Other principals report only total amounts spent not to whom tickets were given.

To increase public confidence in the reporting system, we do a cross-check each year of who received tickets and who reported them. Thanks to the diligence of the NADC, ticket disclosure has improved dramatically.

The following charts were compiled from the 2019 University of Nebraska's principal report and the senators' statements of financial interest. The charts show who accepted free tickets, the value placed on those tickets and if the value was reported to the NADC by the senators.

Legislator	Ticket(s) Amount	Expense(s)
Sen. Matt Williams	\$42	Two tickets to NU versus Michigan basketball
Sen. Matt Hansen	\$42	Two tickets to NU versus Minnesota basketball
Sen. Tim Gragert	\$42	Two tickets to NU versus Maryland basketball
Sen. Adam Morfeld	\$30	Two tickets to NU versus Butler basketball
Sen. Patty Pansing Brooks	\$10	One ticket to UNL WBB game
Sen. Kate Bolz	\$10	One ticket to UNL WBB game
Sen. Anna Wishart	\$10	One ticket to UNL WBB game
Sen. Wendy DeBoer	\$10	One ticket to UNL WBB game

#### First Quarter March 1, 2019, to March 31, 2019, University of Nebraska Foundation Contribution to Tickets: \$9,422

## Second Quarter April 1, 2019, to June 30, 2019, University of Nebraska Foundation Contribution to Tickets: \$23,085

Legislator	Ticket(s) Amount	Expense(s)
Sen. Kate Bolz	\$840	Two season football tickets
Sen.Tom Brewer	\$840	Two season football tickets
Sen. Machaela Cavanaugh	\$840, not reported	Two season football tickets
Sen. Sue Crawford	\$840	Two season football tickets
Sen. Matt Hansen	\$840	Two season football tickets
Sen. Sara Howard	\$840	Two season football tickets
Sen. Megan Hunt	\$840, not yet filed	Two season football tickets
Sen. Rick Kolowski	\$840	Two season football tickets
Sen. Andrew La Grone	\$840	Two season football tickets
Sen. Brett Lindstrom	\$840, not yet filed	Two season football tickets
Sen. John Lowe	\$840, not reported	Two season football tickets
Sen. Mike McDonnell	\$840	Two season football tickets
Sen. Adam Morfeld	\$840	Two season football tickets
Sen. Tony Vargas	\$840	Two season football tickets
Sen. Lynne Walz	\$840	Two season football tickets
Sen. Justin Wayne	\$840	Two season football tickets
Sen. Tom Brandt	\$40	Two tickets to spring game skybox
Sen. Adam Morfeld	\$40	Two tickets to spring game skybox
Sen. Lynn Walz	\$40	Two tickets to spring game skybox
Sen. Matt Williams	\$40	Two tickets to spring game skybox
Sen. Joni Albrecht	\$20	Two spring game tickets
Sen. John Arch	\$20	Two spring game tickets
Sen. Tom Brandt	\$20	Two spring game tickets
Sen. Tom Brewer	\$20	Two spring game tickets
Sen. Machaela Cavanaugh	\$20	Two spring game tickets
Sen. Sue Crawford	\$20	Two spring game tickets
Sen. Myron Dom	\$20	Two spring game tickets
Sen. Mike Groene	\$20	Two spring game tickets
Sen. Matt Hansen	\$20	Two spring game tickets
Sen. Sara Howard	\$20	Two spring game tickets
Sen. Megan Hunt	\$20	Two spring game tickets
Sen. Brett Lindstrom	\$20	Two spring game tickets
Sen. Adam Morfeld	\$20	Two spring game tickets
Sen. Jim Scheer	\$20	Two spring game tickets
Sen. Julie Slama	\$20	Two spring game tickets
Sen. Tony Vargas	\$20	Two spring game tickets
Sen. Lynne Walz	\$20	Two spring game tickets
Sen. Justin Wayne	\$20	Two spring game tickets

Lauren McCarthy (Albrecht)	\$10	One spring game ticket
Beverly Neel (Albrecht)	\$10	One spring game ticket
Maggie Brumond (Arch)	\$10	One spring game ticket
Lisa Johns (Arch)	\$10	One spring game ticket
Linehan Staff	\$10	One spring game ticket
Kay Berquist (Linehan)	\$10	One spring game ticket
Julie Condon (Brewer)	\$10	One spring game ticket
Dick Clark (Brewer)	\$10	One spring game ticket
Rebecca Daugherty (Brewer)	\$10	One spring game ticket
Samantha Bauman (Cavanaugh)	\$10	One spring game ticket
Brandon Langlois (Cavanaugh)	\$10	One spring game ticket
Christina Mayer (Crawford)	\$10	One spring game ticket
Hanna Murdoch (Crawford)	\$10	One spring game ticket
Janet Anderson (Dorn)	\$10	One spring game ticket
Camdyn Kavan (Brandt)	\$10	One spring game ticket
Beth Dinneen (Brandt)	\$10	One spring game ticket
Mackenzie Martin Fisk (Geist)	\$10	One spring game ticket
Mary Jacobsen (Geist)	\$10	One spring game ticket
Kim Davis (Gragert)	\$10	One spring game ticket
Trevor Reilly (Groene)	\$10	One spring game ticket
Sam Billings (Groene)	\$10	One spring game ticket
Amara Block (Groene)	\$10	One spring game ticket
Jacob Campbell (Ben Hansen)	\$10	One spring game ticket
Ellie Stangl (Ben Hansen)	\$10	One spring game ticket
Tom Green (Matt Hansen)	\$10	One spring game ticket
Keenan Roberson (Matt Hansen)	\$10	One spring game ticket
Courtney Lyons (Matt Hansen)	\$10	One spring game ticket
Sherry Shaffer (Howard)	\$10	One spring game ticket
Jennifer Carter (Howard)	\$10	One spring game ticket
Kristina Hughes (Hunt)	\$10	One spring game ticket
Deena Keilany (Hunt)	\$10	One spring game ticket
Krissa Delka (Lindstrom)	\$10	One spring game ticket
Mitchell Clark (Stinner)	\$10	One spring game ticket
Kenneth Pancake (Stinner)	\$10	One spring game ticket
Tom Arnsperger (Stinner)	\$10	One spring game ticket
Scheer Staff	\$10	One spring game ticket
Scheer Staff	\$10	One spring game ticket
Vargas Staff	\$10	One spring game ticket
Vargas Staff	\$10	One spring game ticket
	+	
Trevor Fitzgerald (Wayne)	\$10	One spring game ticket

Precious McKesson	\$10	One spring game ticket
Phoebe Haney (Williams)	\$10	One spring game ticket
Dexter Schrodt (Williams)	\$10	One spring game ticket
Natalie Schunk (Williams)	\$10	One spring game ticket
Bill Marienau (Williams)	\$10	One spring game ticket
Sen. Anna Wishart	\$1,773.00	One airline ticket to UNL Confucius Institute China Cultural Tour
Sen. Megan Hunt	\$1,875.00, not yet filed	One airline ticket to UNL Confucius Institute China Cultural Tour

#### Third Quarter July 1, 2019, to September 30, 2019, University of Nebraska Foundation Contribution to Tickets: \$23,053

Legislator	Ticket(s) Amount	Expense(s)
Sen. Kate Bolz	\$60	Two skybox tickets to Northern Illinois
Sen. Adam Morfeld	\$60	Two skybox tickets to Northern Illinois
Sen. Rick Kolowski	\$60	Two skybox tickets to Ohio State
Sen. Anna Wishart	\$60	Two skybox tickets to South Alabama

#### Fourth Quarter October 1, 2019, to December 31, 2019, University of Nebraska Foundation Contributions to Tickets: \$0

Legislator	Ticket(s) Amount	Expense(s)
Sen. Brett Lindstrom	\$60	Two skybox tickets to Northwestern
Sen. Matt Hansen	\$60	Two skybox tickets to Indiana
Sen. Steve Lathrop	\$60	Two skybox tickets to Wisconsin
Sen. Mike McDonnell	\$60	Two skybox tickets to Wisconsin
Sen. Wendy DeBoer	\$60	Two skybox tickets to Wisconsin
Sen. John McCollister	\$60	Two skybox tickets to Wisconsin

\* The above information is copied directly from the University of Nebraska's four quarterly principals' reports plus amendments from 2019.

Speaker Jim Scheer, Sen. John Arch and Sen. Dan Quick paid \$840 for tickets with campaign funds. These tickets must be donated to charity.

It is also noteworthy that the university, or the University of Nebraska Foundation, provided airplane tickets to China for Sen. Anna Wishart and Sen. Megan Hunt totaling \$3,648. Sen. Wishart reported the gift. Sen. Hunt has not yet filed.

In the past, the university foundation provided expensive gifts, including cars and country club memberships to university administrators and coaches. The recipients were public employees who were required to report these gifts, and that was not happening. Since the University of Nebraska Foundation is a private entity, Common Cause viewed this as a form of lobbying. Our exposure of this practice eventually led to its termination. With a new administration currently evolving at the university, it is important that they maintain transparency. Students, parents and taxpayers have a right to know how foundation funds are used.

# AND NOW FOR SOME REAL MONEY

In Nebraska, lobbyists get to play a major role in campaign fundraising. Beyond gifts and entertainment, political contributions are used to court influence and build relationships with officials.

#### **Political Action Committees (PACs)**

PACs are organizations established by corporations, labor unions and other special interests to raise money from individuals for political campaigns or political causes. For many elected officials and candidates for public office, PACs are the largest source of campaign funds. A survey of campaign contributions over \$250 shows how important PACs are for getting elected.

There are currently 111 active PACs in Nebraska, and more than a third of their treasurers are lobbyists. During the 2016 election cycle, PACs contributed \$2,581,145, which goes a long way in state elections. We will be watching the 2020 elections to see if they wield the same influence.

#### **Client Campaign Contributions**

It is not uncommon for lobbyists to send a letter to an elected official informing him or her of a forthcoming campaign contribution. These contributions may be in the thousands of dollars. The recipient normally recognizes the fact that the lobbyist is the conduit, even though the client is the donor. Although the contribution is not from the lobbyist, the connection is clear, and the opportunities for influence may follow.

Altria Client Services, the parent company of tobacco giant Philip Morris, spent \$951,109 on lobbying over a five-year period. In addition, from March 2018 to January 2019, Altria Client Services contributed \$71,000 to state political campaigns. The bulk of the money went to the Nebraska Republican Party (\$30,000) and the Committee to Elect Pete Ricketts for Governor (\$17,000).

The lobbyists under contract were Garth Alston, Jensen Rogert Associates and Radcliffe and Associates. Most of the lobbying money goes to the lobbyist. The campaign dollars have a more direct effect on the elected officials.

Date	Contribution	Recipient
03/08/18	1,500	Nebraska Republican Party
03/08/18	5,000	Pete Ricketts for Governor
07/12/18	500	John Lowe for Legislature
07/13/18	1,000	Lou Ann Linehan for Legislature
07/13/18	500	Suzanne Geist for Legislature
07/19/18	500	Jim Scheer for Legislature
07/23/18	1,000	Ben Hansen for Legislature
07/23/18	1,000	Friends of Mike Hilgers for Legislature
07/25/18	1,000	Matt Deaver for Legislature
07/25/18	1,000	Rob Clement for Legislature

#### Contributions from Altria Client Services 2018-2019

Total 2018	\$36,000				
10/29/18	5,000	Nebraska Republican Party			
10/17/18	500	Anna Wishart for Legislature			
10/04/18	5,000	Nebraska Republican Party			
09/11/18	500	Lou Ann Linehan for Legislature			
09/11/18	1,000	Friends of Lindstrom			
09/07/18	500	Jim Scheer for Legislature			
09/05/18	500	Nebraskans for John Murante			
08/28/18	500	Wayne for Nebraska			
08/16/18	2,500	Nebraska Republican Party			
08/16/18	2,500	Pete Rickets for Governor			
07/15/18	1,000	Nebraska Republican Party			
07/15/18	2,500	Pete Rickets for Governor			
07/31/18	1,000	Laura Ebke for Legislature			
07/25/18	1,000	Rob Clement for Legislature			
07/25/18	1,000	Matt Deaver for Legislature			
07/23/18	1,000	Friends of Mike Hilgers for Legislature			
07/23/18	1,000	Ben Hansen for Legislature			
07/19/18	500	Jim Scheer for Legislature			
07/13/18	500	Suzanne Geist for Legislature			
07/13/18	1,000	Lou Ann Linehan for Legislature			
07/12/18	500	John Lowe for Legislature			
03/08/18	5,000	Pete Ricketts for Governor			
03/08/18	1,500	Nebraska Republican Party			
09/11/18	500	Lou Ann Linehan for Legislature			
09/11/18	1,000	Friends of Lindstrom			
09/07/18	500	Jim Scheer for Legislature			
09/05/18	500	Nebraskans for John Murante			
08/28/18	500	Wayne for Nebraska			
08/16/18	2,500	Nebraska Republican Party			
08/16/18	2,500	Pete Rickets for Governor			
07/15/18	1,000	Nebraska Republican Party			
07/15/18	2,500	Pete Rickets for Governor			

Date	Contribution	Recipient
03/08/19	2,500	Nebraska Republican Party
03/21/19	1,000	Pete Rickets for Governor
04/09/19	500	Julie Slama for Legislature
05/16/19	500	La Grone for Legislature
07/09/19	2,500	Nebraska Republican Party
07/09/19	1,000	Pete Rickets for Governor
07/11/19	1,000	Friends of Mike Hilgers for Legislature
07/11/19	500	Joni Albrecht for Legislature
08/29/19	500	Jim Scheer for Legislature
09/07/19	1,000	John Lowe for Legislature
09/19/19	500	Friends of Lindstrom
09/19/19	1,000	Andrew La Grone for Legislature
09/24/19	2,000	Suzanne Geist for Legislature
09/26/19	500	Ben Hansen for Legislature
09/26/19	500	Julie Slama for Legislature
09/26/19	5,000	Pete Rickets for Governor
10/01/19	500	Anna Wishart for Legislature
10/07/19	500	Friends of Mike Hilgers for Legislature
10/09/19	500	Joni Albrecht for Legislature
10/09/19	500	Lou Ann Linehan for Legislature
10/09/19	500	Rob Clement for Legislature
10/18/19	500	Tom Brewer for Nebraska
10/24/19	1,000	Mike Flood for Nebraska
10/28/19	5,000	Nebraska Republican Party
10/28/19	5,000	Nebraska Republican Party
12/19/19	500	Friends of Mike McDonnell
Total 2019	\$35,000	
2 yr. Total (2018 + 2019)	\$71,000	

Common Cause Chart compiled March 2, 2020, from accountability and disclosure records.

Some lobbying firms even make direct campaign contributions. Peetz & Company is one example of the power lobbying firms can wield through direct campaign donations.

Peetz & Company	Contributions 2018–2019
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Date	Contribution	Recipient
02/15/18	500	Suzanne Geist for Legislature
03/08/18	500	Laura Ebke for Legislature
03/15/18	1,000	Nebraska Chamber of Commerce PAC
03/15/18	1,000	Nebraskans for John Murante
06/26/18	1,000	Pete Ricketts for Governor
08/08/18	1,000	Friends of Brett Lindstrom
08/30/18	500	Anna Wishart for Legislature
08/31/18	500	Dan Hughes for Legislature
09/05/18	500	Matt Deaver for Legislature
09/05/18	500	Theresa Thibodeau for Legislature
09/13/18	500	Nebraska Chamber of Commerce PAC
09/19/18	500	Wendy DeBoer
09/26/18	500	Citizens for John Arch
10/03/18	500	Dave Murman for Legislature
10/16/18	500	Friends of Dan Watermeier
10/16/18	500	Friends of Mike McDonnell
11/13/18	500	Tom Brandt for Legislature
12/06/18	500	Friends of Mike Hilgers for Legislature
12/12/18	500	Machaela Cavanaugh for Legislature
Total 2018	\$11,500	

Date	Contribution	Recipient
03/20/19	500	Steve Lathrop for Legislature
04/01/19	1,000	Nebraska Democratic Party
04/0219	500	Anna Wishart
04/10/19	500	Julie Slama for Legislature
04/15/19	500	Tony Vargas for Legislature
04/24/19	500	Andrew La Grone for Legislature
05/09/19	1,000	Pete Ricketts for Governor
05/15/19	500	Joni Albrecht for Legislature
07/03/19	500	Nebraskans for John Murante
08/29/19	500	Andrew La Grone for Legislature
09/17/19	1,000	Lou Ann Linehan for Legislature
09/18/19	500	Friends of Lindstrom
09/23/19	500	Suzanne Geist for Legislature

09/25/19	1,000	Mike Flood for Nebraska
10/01/19	500	Anna Wishart for Legislature
10/29/19	500	Friends of Mike Hilgers for Legislature
11/12/19	500	Steve Lathrop for Legislature
11/12/19	500	Lynne Walz for Legislature
Total 2019	\$11,000	
2 yr Total (2018 + 2019)	\$22,500	

Common Cause chart compiled March 3, 2019, from accountability and disclosure records.

## **IN-SESSION FUNDRAISERS**

#### An Opportunity to Make a Real Friend

Lobbyist-sponsored fundraisers during the legislative session work well for both the lobbyists and the senators. The senators are in town; the lobbyists are in the rotunda; the bills are on the floor. It is estimated that thousands of campaign dollars can be raised at breakfast just an hour before senators vote.

The invitation that goes out to senators offers a free meal. For the lobbyists, it's \$100 at the door to attend. Lobbyists are to bring checks from their clients as well. These are closed events with no invitations extended to the public or the press. Since much of the money comes in contributions under \$250, which is currently the required disclosure limit, the money can be reported as cash, making it nearly impossible to trace.

Twenty-nine states prohibit in-session fundraisers, but Nebraska isn't one of them. Common Cause Nebraska has supported legislation to prohibit in-session fundraisers, but the Government Committee has never advanced a single bill calling for restrictions.

One might think that term limits would reduce the demand for fundraisers, but that is not always the case. Some term-limited senators build a healthy war chest for future endeavors.

Lobbyist-sponsored fundraisers take place throughout the year. But money changing hands during the session, often hours before a vote, can lead to corruption.

January	February	April
22nd - Sen. Linehan: Nebraska Club	5th - Sen. Brandt: Billy's	2nd - Sen. DeBoer: Billy's
28th - Sen. McCollister: Billy's	8th - Sen. Arch: Neb. Club	8th - Sen. Walz: Billy's
31st - Sen. Lowe: Billy's	20th - Sen. Morfeld: Billy's	
	27th - Sen. Albrecht: Billy's	
	27th - Sen. Albrecht: Billy's	

#### **In-Session Fundraisers Scheduled for 2020**

Chart compiled from data from the clerk's office on March 4, 2020.

# **THE REVOLVING DOOR**

The "revolving door" continues to turn as Nebraska's elected officials leave their offices to join the lobbying ranks. When we elect individuals, we expect them to serve the interest of their constituents and the state. As a result, they gain special knowledge and relationships. This background is a public trust. It should not be bought and sold.

Special interests outside of government are more than willing to buy that knowledge and use those relationships to their advantage, as well as for financial gain.

Common Cause believes there should be a two-year "cooling off period" before public officials become paid lobbyists.

Lobbyist	Registered	1st Year	2nd Year	2018	2019
Chris Abboud 1983–1998	2000*	7,500 Firm Income	49,470 Firm Income	67,014 Firm Income	51,370
Greg Adams 2007–2015	2016	6,666 4th Q only	40,000	41,459	42,436
Curt Bromm 1993–2004	2005	116,000	146,500	146,034	127,531
Jon Bruning AG 2003–2015	2015	132,000 Firm Income	288,000 Firm Income	162,507	43,000
Colby Coash 2009–2017	2018	5,520		5,520	14,400
Danielle Conrad 2007–2015	2015	12,991	6,658	11,774	18,325
Annette Dubas 2007–2015	2015	3,500	8,000	8,000	0
Nicole Fox 2015–2016	2017	5,833/mo	5,320	5,320	9,241
Tim Gay 2006–2010	2011	54,961	61,793	128,000	128,000
Burke Harr 2011–2018	2019	Houghton Bradford Firm			16,077
Karen Kilgarin 1981–1984	2000*	9,101	18,524	13,281	13,388
Scott Lautenbauh 2007–2014	2015	68,000	21,750	82,8000	118,250
John Lindsay 1989–1997	2000*	62,126	126,049	100,334	90,000
Jan McKenzie 1993–1997	2000*	3,000	19,000	42,526	118,250
Heath Mello 2009–2017	2017	66,000	67,355	67,355	67,155
Mick Mines 2003–2007	2008	56,000	76,000	160,901	121,021

#### Former State Elected Officials-Registered Lobbyists for 2019

James Pappas 1983–1987	2000*	6,000	28,000	3,950	3,750
Kent Rogert 2007–2011	2011	76,300	46,300	72,000	94,000
Kenneth Schilz 2008–2016	2017	0	162,507 Firm Income	162,507 Firm Income	?

Chart compiled from blue book information on March 4. 2020. Firm income total only reported.

## **AMERICAN LEGISLATIVE EXCHANGE COUNCIL (ALEC)**

#### **A Lobbying Organization with Secrets**

The ALEC is a nonprofit organization of conservative state legislators and private-sector representatives who draft and share model state-level legislation for distribution among state governments in the United States.

ALEC's approach to lobbying involves holding conferences in attractive locations and "bringing together" legislators, lobbyists and corporate representatives. The gatherings include breakout sessions in which legislators can be educated and provided with actual bills ready to be taken home and introduced in their state legislatures. Corporate executives can get personal access to legislators while not having to be registered lobbyists.

Each state has a legislator identified as the ALEC chair whose job it is to recruit members and encourage other legislators to attend conferences. Memberships are kept secret, and ALEC conferences are closed to the public and the press. ALEC bills are introduced as homegrown without identifying who actually drafted the bills. Legislators are expected to pay dues, but ALEC conferences are held in the finest hotels in fun-filled locations to attract participation.

In the past, ALEC provided "scholarships" to cover travel, hotel accommodations and registration. Currently, these expenses are reported as gifts or reimbursements. Many legislators use campaign funds for trips and then get reimbursed by ALEC.

ALEC "model legislation" often aims at the privatization of education and health care, rolling back environmental regulations and limiting consumer protection.

A watchdog organization known as Documented Investigations acquired an attendance list from the July 2017 ALEC conference in Denver, Colorado. The following Nebraska senators were in attendance and identified as members:

Sen. Curt Friesen—District 34 Sen. Brett Lindstrom—District 18 Sen. Lou Linehan—District 39 Sen. John Lowe—District 37 Sen. Merv Riepe—District 12 Sen. Jim Smith—District 14 state chair and National Board member Sen. John Stinner—District 48

Sen. Smith refused to release his list of Nebraska legislative members but reported that nearly half of the Nebraska senators have joined.



In 2018, it was reported by Documented Investigations that Sen. Lou Linehan had taken over as Nebraska's ALEC state chair. In her statement of financial interest, she has reported ALEC gifts in excess of \$1,500 for two conferences she attended.

In 2019, ALEC identified the following state legislators as members.

Sen. Brett Lindstrom—District18 Sen. John Lowe—District 37 Speaker Jim Scheer—District 19 Sen. Lou Linehan—District 39

Should there be a secret organization operating within our unicameral legislature? Common Cause Nebraska continues to push ALEC for greater transparency both in their membership and their corporate-based legislation.

## CONCLUSION

Considering the fact that \$19,357,018 was spent on lobbying in 2019, one might wonder what was gained. How much did the people of Nebraska benefit from all that money? Most senators will tell you they gained valuable information, and lobbying is an important part of the democratic system.

Altria Client Services, one of the world's largest tobacco distributors, spent \$267,287 on lobbying and \$35,000 on campaign contributions. It is difficult to determine what information was provided, but those kinds of expenditures certainly got the attention of the recipient legislators.

The Nebraska lobby earned a record \$17,890,614. Along with their principals, it spent a record \$456,120 on entertainment, gifts and tickets to events. Of that money, \$120,040 was spent entertaining our 49 senators. We can only guess how many hours of wining, dining and golfing were purchased.

It is difficult to tabulate the total amount of lobbying money that went to our political campaigns. Lobbyists' campaign contributions are not included in the lobbying figures. If campaign contributions by Peetz & Company and Altria Client Services are typical, then \$500 per senator is enough to open almost any door.

The gross expenditure of \$19,357,018 is calling for limits and prohibitions. Nebraskans can't limit campaign expenditures. But we can limit contributions, and we can ban lobbying firms from involvement in political campaigns. We don't want to limit freedom of information, but we can limit entertainment, gifts and tickets. The playing field needs to be leveled. And the voices of everyday voters should not be silenced by lobbyists and campaign contributions buying our politicians.

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**Education Fund** 



Nebraska Holding Power Accountable