

# BREAKING RECORDS

Wealthy \$pecial Interests  
\$pend Most Ever



 **Common Cause**

Nebraska

**Lobbying Report 2019**



## 2019 NEBRASKA LOBBY REPORT

A little perspective may be helpful when considering the growing influence of the lobby. In 2000, Nebraska began reporting statistics online. In that year, the lobby collectively reported gross earnings at \$2,653,548. By 2005, earnings had grown to \$10,730,586. This dramatic increase seemed to level off, and by 2010 the report showed \$11,888,888. After that year, a steady growth in earnings led to \$15,334,105 in 2015 and amounted to \$17,807,017 in 2018. The growth has stayed well ahead of inflation and has left government salaries in the dust.

It is true that the growth in earnings is partially explained by growth in the number of individual lobbyists and lobbying firms. This growth, however, would not have taken place if the demand was not there. It has become generally accepted that if you want something done at the capitol, you should hire a lobbyist.

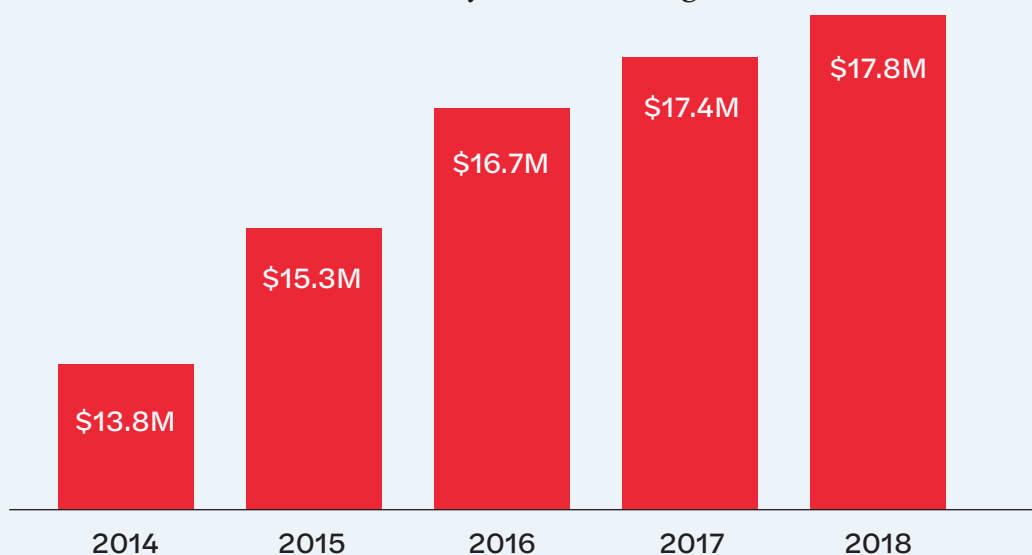
With the Unicameral dealing with as many as 1,000 bills in a two-year session, individuals and organizations often engage paid professionals who are at the capitol daily to gain an advantage in advancing their agendas. But that advantage takes money, and those who have the money expect to have better access and influence — and there's "the rub."

Over the years Nebraskans have become accepting of lobbyists wining, dining and entertaining their way to access. It has even become an accepted practice for lobbyists to become key players in campaign fundraising.

All of this creates an insider game that puts the average citizen at a disadvantage. The importance of a small donor giving \$20 donation has given way to those able to make a \$5,000 contribution.

Jack Gould  
Issues Chair, Common Cause Nebraska

Nebraska Lobby Gross Earnings





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## LOBBY EXPENSES

There has always been a difference between what the lobbyists report as compensation and reimbursement and what the principals — the entities that employ lobbyists — report paying their lobbyists, with no real explanation why. The 2019 record \$17,807,017 in compensation is based on the lobbyists' self-reports. In contrast, the principals report paying \$16,410,302 in lobbyist compensation and reimbursement.

What we do know is that the principals often spend money on entertainment and gifts beyond what they pay their lobbyists. As a result, the principals' reports show a broader picture of the total lobbying expense.

Take, for instance, the entertainment figure. Of the \$364,085 reported as being spent, \$92,000 was spent on legislators, \$4,819 was spent on elected executive branch officials and a whopping \$267,266 was spent on "others." The others could be non-elected chief executive officers and directors of the many departments of government or legislative staff. It is impossible to track this money, who it is spent on or what it pays for. Remember, it does not include tickets or gifts.

### Principals Lobbying Expenses 2014-2018

|                        | 2014              | 2015              | 2016              | 2017              | 2018              |
|------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Lobbyist Compensation  | \$13,130,160      | \$14,506,302      | \$15,743,320      | \$16,188,266      | \$16,056,059      |
| Lobbyist Reimbursement | 252,163           | 442,365           | 282,023           | 334,074           | 354,243           |
| Entertainment          | 263,260           | 370,702           | 446,750           | 467,030           | 364,085           |
| Miscellaneous          | 211,499           | 218,853           | 137,824           | 214,512           | 153,310           |
| Office Supplies        | 160,495           | 33,180            | 47,338            | 74,844            | 54,077            |
| Gifts & Tickets        | 23,992            | 25,784            | 25,558            | 26,332            | 24,535            |
| Travel                 | 19,014            | 41,759            | 46,012            | 41,503            | 28,873            |
| Lodging                | 11,973            | 6,345             | 25,856            | 7,515             | 8,477             |
| <b>Total Expense</b>   | <b>14,072,556</b> | <b>15,645,290</b> | <b>16,754,681</b> | <b>17,354,076</b> | <b>17,043,659</b> |

*\* 2018 statistics recorded on April 12, 2019, from principals' reports.*

### Nebraska's Active Lobbyists

The clerk of the legislature tracks the number of registered lobbyists and principals annually. The term "principal" identifies all entities that provide lobbyists. **The number of compensated lobbyists and principals reached an all-time high in 2019.**

## Number of Registered Lobbyists and Principals, 2015-2019

| Firms                   | 2015 | 2016 | 2017 | 2018 | 2019 |
|-------------------------|------|------|------|------|------|
| Compensated Lobbyists   | 351  | 364  | 377  | 378  | 391  |
| Volunteer Lobbyists     | 42   | 33   | 41   | 36   | 36   |
| Principals              | 545  | 543  | 550  | 553  | 573  |
| Volunteer Organizations | 36   | 33   | 36   | 28   | 24   |

*\* Statistics recorded on April 10, 2019, from the Clerk's Office*

## Who Spends the Most on Lobbying?

Lobbyists don't come cheap! For many special interests, hiring a lobbyist is much like hiring a top executive, or maybe two. Below we have identified 10 of the top spenders, or principals, from 2014 to 2018. Altria Client Services, the parent company for Philip Morris and other tobacco companies, spent the most in 2018, but the League of Nebraska Municipalities maintained the highest five-year total for the second time.

## Top Spenders on Lobbyists, 2014-2018

| Principal                           | 2014      | 2015      | 2016      | 2017      | 2018      | 5-Year Total |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|--------------|
| League of NE Municipalities         | \$179,551 | \$194,024 | \$173,563 | \$184,832 | \$128,556 | \$860,526    |
| NE Chamber of Commerce              | 120,036   | 162,162   | 218,338   | 242,198   | 144,757   | 887,491      |
| Altria Client Services              | 158,402   | 134,626   | 207,059   | 160,040   | 181,818   | 841,945      |
| University of Nebraska              | 160,135   | 165,671   | 150,142   | 141,902   | 131,299   | 749,149      |
| NE Bankers Association              | 141,668   | 205,470   | 106,459   | 147,330   | 117,491   | 718,418      |
| NE Council of School Administrators | 104,713   | 127,889   | 108,381   | 130,891   | 166,053   | 637,927      |
| Renewable Fuels NE                  | 190,191   | 188,461   | 48,597    | 50,885    | 53,162    | 531,296      |
| City of Lincoln                     | 91,252    | 100,819   | 110,558   | 107,804   | 104,101   | 514,534      |
| NE Association of County Officials  | 109,416   | 110,292   | 91,658    | 79,679    | 114,927   | 505,972      |
| NE State Education Association      | 68,645    | 102,361   | 93,879    | 112,656   | 97,062    | 474,603      |

*\* Statistics recorded on March 26, 2019, from principals' reports*



## Who Makes the Most?

The numbers speak for themselves. Keep in mind, our 49 senators are paid \$12,000 each year, while lobbyists rake in millions of dollars.

### Top Compensated Lobbyist Firms, 2014-2018

| Firm                          | 2014        | 2015        | 2016        | 2017        | 2018        | 5-Year Total |
|-------------------------------|-------------|-------------|-------------|-------------|-------------|--------------|
| Mueller Robak                 | \$1,425,318 | \$1,438,822 | \$1,517,837 | \$1,466,039 | \$1,453,718 | \$7,301,734  |
| Radcliffe & Assoc.            | 1,116,530   | 1,213,919   | 1,257,776   | 1,164,984   | 1,187,424   | 5,940,633    |
| O'Hara Lindsay                | 909,514     | 979,728     | 1,053,596   | 917,730     | 860,592     | 4,721,160    |
| Peetz & Co.                   | 514,500     | 643,100     | 695,948     | 688,067     | 799,324     | 3,340,939    |
| American Communications Group | 618,221     | 607,115     | 596,430     | 628,423     | 648,699     | 3,098,888    |
| Kissel, Kohout, ES Assoc.     | 534,076     | 630,208     | 483,668     | 645,138     | 574,884     | 2,867,974    |
| Nowka & Edwards               | 557,101     | 573,324     | 626,309     | 644,703     | 552,035     | 2,953,472    |
| Bromm & Assoc.                | 207,791     | 211,571     | 232,656     | 636,057     | 677,448     | 1,965,523    |
| Husch Blackwell               | 330,102     | 414,689     | 551,452     | 537,127     | 97,846      | 1,931,216    |
| Jensen Rogert                 | 340,489     | 366,997     | 338,009     | 365,524     | 334,769     | 1,745,788    |

\* Statistics recorded March 26, 2019, from lobbyists' reports

# PUBLIC EDUCATION LOBBYING

## K-12 Schools

Many public entities spend tax dollars to get more tax dollars through legislative appropriations. 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 on 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.

The lobby is one tool school districts can use to monitor the changes and protect their interests. Those school districts that have the funds to invest in lobbying seem to exert greater influence, while those districts lacking in wealth find themselves on the outside looking in. The lobby does not work for all the children, only those children in the districts that can pay.

A total of 16 school districts and one learning community have the resources to hire lobbyists. From 2014 to 2018, Omaha Public Schools spent the most, followed by Millard in second place and Bellevue in third. 2014 saw the most spent on lobbying in a single year.

The numbers are not staggering, but those districts that have their own lobbyists must believe they have an advantage, or they wouldn't spend the money. What about the 269 school districts that can't afford a lobbyist? Are they at a serious disadvantage in the competition for state funds?

## Public School Districts With Lobbyists, 2014-2018

| School District        | 2014           | 2015           | 2016           | 2017           | 2018           | 5-Year Total     |
|------------------------|----------------|----------------|----------------|----------------|----------------|------------------|
| Adams Central          | \$8,070        | \$5,200        | \$5,200        | \$5,200        | \$5,200        | \$28,870         |
| Bellevue               | 60,200         | 58,400         | 54,200         | 54,200         | 54,200         | 281,200          |
| Bennington             | 7,700          | 18,200         | 9,200          | 4,700          | 5,200          | 45,000           |
| DC West                | 25,200         | 10,200         | 20,232         | 12,500         | 25,000         | 93,132           |
| Elkhorn                | 25,200         | 25,200         | 25,200         | 21,200         | 28,200         | 125,000          |
| Fremont                | 20,000         | 0              | 0              | 0              | 0              | 20,000           |
| Grand Island NW        | 8,070          | 5,200          | 5,200          | 5,400          | 5,000          | 28,870           |
| Grand Island           | 30,000         | 30,000         | 30,750         | 31,519         | 32,307         | 154,576          |
| Lakeview               | 8,174          | 5,000          | 5,200          | 5,200          | 0              | 23,574           |
| Lincoln                | 42,706         | 40,000         | 41,655         | 38,281         | 33,756         | 196,398          |
| Millard                | 59,823         | 62,280         | 62,206         | 67,368         | 67,032         | 318,709          |
| Omaha                  | 78,886         | 67,125         | 78,338         | 72,394         | 72,717         | 369,460          |
| Papillion              | 36,200         | 36,200         | 36,200         | 35,700         | 36,150         | 180,450          |
| Ralston                | 32,476         | 30,093         | 41,328         | 38,474         | 39,509         | 181,880          |
| Springfield Platteview | 20,100         | 10,000         | 20,232         | 27,700         | 27,500         | 105,532          |
| Westside               | 29,832         | 19,666         | 0              | 20,002         | 14,158         | 83,658           |
| Learning Community     | 26,527         | 26,994         | 26,964         | 26,933         | 27,783         | 135,201          |
| <b>Total</b>           | <b>519,164</b> | <b>449,758</b> | <b>462,105</b> | <b>466,671</b> | <b>473,712</b> | <b>2,371,510</b> |

\* Statistics for 2018 recorded March 26, 2019, from principals' reports

## University Lobbying

The University of Nebraska is also competing for tax dollars. In 2018, the university had former Senator Heath Mello as its lobbyist and the lobbying firm of Peetz and Company to back up Mello. That same year, the university lobbying team spent \$39,984 on entertaining state officials and provided \$1,335 in gifts. The university also distributed \$14,248 worth of tickets to events. The university paid Mello \$66,462 in his role as a lobbyist. Peetz and Company was paid \$30,200.

The grand total came to \$152,229 — more than twice what the top public school paid in 2018 — according to the university's principal report. How could a Class C school district compete with that kind of lobbying power?

## TRACKING THE MONEY

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How difficult is it to follow the entertainment dollars? It is almost as if the lobby wrote the rules to confuse the public. For example, lobbyists are restricted to giving 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 entertainment 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. From another perspective, senators have no idea how much is being spent on their colleagues.

Common Cause Nebraska believes there should be a ban on gifts and entertainment spending. Lobbyists should be on an equal level with the public, and the public should not be expected to pay tribute to their elected officials. The current system, however, seems to be working well at the legislature for those who can afford a lobbyist.

### The University Again

The University of Nebraska is required by statute to disclose to whom tickets to university events are given. This disclosure is important because two season tickets for football are valued at \$798, and state officials must report gifts over \$100. **Thus, football tickets are the single gift that can be cross-checked.** Gifts from other principals are not required to be itemized. The university is required to report because it is a public entity. In the past the reporting of season tickets has often been neglected.

To increase public confidence in the reporting system, Common Cause Nebraska does a cross-check each year. Thanks to the diligence of the Accountability and Disclosure Commission, ticket disclosure has improved dramatically. **2019 is the first year the university's report matched senators' disclosure statements.**

The table below was compiled from the 2018 University of Nebraska's principal's report and senators' statements of financial interest. The charts show who accepted free tickets, the value placed on those tickets and whether the value was reported to the Accountability and Disclosure Commission.

It is difficult to separate education tax dollars from University of Nebraska Foundation dollars when evaluating lobby expenses. It is clear, however, that the foundation pays for the tickets given to state elected officials. The university reports that on its principal's report.

In the past, the university's 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 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 forming at the university, it is important that the university maintains transparency. Students, parents and taxpayers have a right to know how foundation funds are used.

## Recipients of University of Nebraska Free Tickets

| Recipient        | Season Games                                 | Spring Games | Extra Expenditures        | Total Value |
|------------------|----------------------------------------------|--------------|---------------------------|-------------|
| Roy Baker        | 2                                            | 2            |                           | \$818       |
| Kate Bolz        | 2                                            |              | 2 skybox tickets, parking | \$957       |
| Tom Brewer       | 2                                            | 2            |                           | \$818       |
| Sue Crawford     | 2                                            | 2            |                           | \$818       |
| Laura Ebke       | 2                                            | 2            |                           | \$818       |
| Curt Friesen     |                                              |              | 2 skybox tickets, parking | \$159       |
| Matt Hansen      | 2                                            | 2            | 2 skybox tickets, parking | \$977       |
| Sara Howard      | 2                                            | 2            |                           | \$818       |
| Rick Kolowsky    |                                              |              | 2 skybox tickets, parking | \$159       |
| Tyson Larson     | 2                                            | 2            |                           | \$818       |
| Brett Lindstrom  | 2                                            | 2            | 2 skybox tickets, parking | \$977       |
| John Lowe        | 2                                            |              |                           | \$798       |
| John McCollister |                                              |              | 2 skybox tickets, parking | \$159       |
| Mike McDonnell   | 2                                            |              | 2 skybox tickets, parking | \$957       |
| Adam Morfeld     | 2                                            |              | 2 skybox tickets, parking | \$957       |
| Jim Scheer       | Paid for season tickets with campaign funds† |              |                           |             |
| Tony Vargas      | 2                                            | 2            | 2 skybox tickets, parking | \$977       |
| Lynne Walz       | 2                                            | 2            |                           | \$818       |
| Justin Wayne     | 2                                            | 2            | 2 skybox tickets, parking | \$977       |

Two season football tickets are valued at \$798, two skybox tickets are valued at \$114, and two spring game tickets are \$20. Additionally, parking passes are a \$45 value. No donation was required for the elected officials to receive the tickets listed above, and everyone listed accepted the tickets offered to them and reported them. The total value of the reported tickets is \$13,780. These figures are compiled from senator's statements of financial interest and the university's principal's report.

†By law, Scheer's tickets must be given to charity, but the charities are not required to report that the tickets were purchased with campaign funds. Often the donation appears to come from personal funds

*\* The figures are compiled from senator's statements of financial interest and the university's principal's report*

(The attached appendix shows tickets of lesser value for University of Nebraska Omaha hockey, University of Nebraska–Lincoln [UNL] basketball and the UNL football spring game)

## AND NOW FOR SOME REAL MONEY

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In Nebraska, lobbyists get to play a major role in campaign fundraising.

### Political Action Committees

Political action committees (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 will show how important PACs are to get elected.

In Nebraska, there are currently 111 active PACs. During the 2016 election cycle, PACs contributed \$2,581,145, according to the latest data available from the Accountability and Disclosure Commission. More than a third of the PACs had lobbyists as treasurers. The 2018 figures are not yet available.

### Client Campaign Contributions

It is not uncommon for lobbyists to send a letter to an elected official informing them of a forthcoming campaign contribution from a client. 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 top principal spender in 2018 and parent company of Philip Morris, spent \$841,945 on lobbying from 2014 to 2018. Over a two-year period in 2016-17, Altria Client Services contributed \$55,000 in campaign contributions. The lobbyists under contract were Garth Alston, Bruning Law Group, Jensen Rogert Associates and Radcliffe and Associates. Most of the lobbying money goes to the lobbyist, while the campaign dollars have a direct effect on the elected officials.

## Contributions from Altria Client Services, 2016-2017

| Date         | Contribution  | Recipient                      |
|--------------|---------------|--------------------------------|
| 03/17/16     | \$5,000       | NE Republican Party            |
| 04/06/16     | 2,500         | Pete Ricketts for Gov.         |
| 06/24/16     | 1,000         | Pete Ricketts for Gov.         |
| 07/18/16     | 500           | Pete Ricketts for Gov.         |
| 07/19/16     | 1,000         | Jim Smith                      |
| 07/20/16     | 1,000         | Friends of Mike Hilgers – Leg. |
| 07/28/16     | 1,000         | Greg Neuhaus                   |
| 08/04/16     | 500           | Tommy Garrett, Com. to Elect   |
| 08/05/16     | 1,000         | Lou Ann Linehan for Leg.       |
| 08/06/16     | 500           | Anna Wishart for Leg.          |
| 08/08/16     | 500           | Lammers for Leg.               |
| 08/10/16     | 500           | Ian Swanson for Leg.           |
| 08/14/16     | 1,000         | Karl Elmschaeuser for NE       |
| 08/14/16     | 500           | Jim Scheer for Leg.            |
| 08/18/16     | 500           | John Lowe for Leg.             |
| 08/19/16     | 500           | John Murante for Leg.          |
| 08/26/16     | 500           | Lydia Brasch for Leg.          |
| 08/29/16     | 500           | Suzanne Geist for Leg.         |
| 09/02/16     | 500           | Dan Watermeier for Leg.        |
| 09/07/16     | 500           | Tom Brieser for Leg.           |
| 09/08/16     | 500           | Steve Halloran for Leg.        |
| 10/24/16     | 10,000        | NE Republican Party            |
| 03/06/17     | 5,000         | NE Republican Party            |
| 08/25/17     | 2,000         | Stinner for Leg.               |
| 08/29/17     | 1,000         | Joni Craighead for Leg.        |
| 09/01/17     | 1,000         | Wayne for NE                   |
| 09/07/17     | 1,000         | Ebke for Leg.                  |
| 09/07/17     | 1,000         | Matt Williams for Leg.         |
| 09/25/17     | 1,000         | Tom Brewer for Leg.            |
| 09/26/17     | 1,000         | Friends of Lindstrom           |
| 10/03/17     | 1,000         | Kolterman for Leg.             |
| 10/05/17     | 1,000         | Friends of Mike Hilgers-Leg.   |
| 10/08/17     | 5,000         | Pete Ricketts for Gov.         |
| 11/06/17     | 1,000         | Doug Peterson for AG           |
| <b>TOTAL</b> | <b>51,000</b> |                                |

*\* Compiled March 8, 2018, from Accountability and Disclosure Commission records*

In 2018, Altria Client Services contributed \$38,000 to political campaigns. The bulk of the money went to the Nebraska Republican Party (\$16,000) and the Committee to Elect Pete Ricketts for Governor (\$10,000).

### Altria Client Services LLC & Its Affiliates

| <b>YEAR 2018</b>                    | <b>Amount</b> |
|-------------------------------------|---------------|
| ANNA WISHART FOR LEGISLATURE        | \$500         |
| BEN HANSEN FOR LEGISLATURE          | 1,000         |
| EBKE FOR LEGISLATURE                | 1,000         |
| FRIENDS OF LINDSTROM                | 1,000         |
| FRIENDS OF MIKE HILGERS-LEGISLATURE | 1,000         |
| JOHN LOWE FOR LEGISLATURE           | 500           |
| LINEHAN FOR LEGISLATURE             | 1,500         |
| MATT DEAVER FOR LEGISLATURE         | 1,000         |
| NEBRASKANS FOR MURANTE              | 500           |
| NE REPUBLICAN PARTY                 | 16,000        |
| PETE RICKETTS FOR GOVERNOR          | 10,000        |
| ROBERT CLEMENTS FOR LEGISLATURE     | 1,000         |
| SCHEER FOR STATE LEGISLATURE (2016) | 1,000         |
| SUZANNE C. GEIST FOR LEGISLATURE    | 500           |
| THIBODEAU FOR LEGISLATURE           | 1,000         |
| WAYNE FOR NEBRASKA                  | 500           |
| <b>TOTAL</b>                        | <b>38,000</b> |

*\* Compiled April 2019 from Accountability and Disclosure Commission records*



Peetz and Company is an example of a lobbying firm that makes direct campaign contributions. In fact, it reports more campaign contributions than any other firm. In 2016, Peetz contributed a total of \$18,675.

### Peetz and Company Campaign Contributions, 2016

| Campaign                              | Contribution Amount (\$) |
|---------------------------------------|--------------------------|
| Al Davis for Legislature              | \$500                    |
| Burke Harr for Legislature            | 500                      |
| Citizens to Elect Jim Smith           | 500                      |
| Committee to Elect Tommy Garrett      | 500                      |
| Doug Peterson for AG                  | 1,000                    |
| Festersen for City Council            | 500                      |
| Friends for Sue Crawford              | 500                      |
| Friends of Lindstrom                  | 500                      |
| Friends of Mike Hilgers - Legislature | 500                      |
| Greg Neuhaus for Legislature          | 500                      |
| John Lowe for Legislature             | 500                      |
| Kolowski for Legislature              | 1,000                    |
| Kolterman for Legislature             | 500                      |
| Lincoln Independent Business PA C     | 1,500                    |
| Linehan for Legislature               | 500                      |
| Matt Williams for Legislature, Inc.   | 500                      |
| McCollister for Legislature           | 1,500                    |
| Murante for Legislature               | 1,000                    |
| NE Chamber of Commerce PAC            | 300                      |
| NE Democratic Party                   | 625                      |
| NE Republican Party                   | 1,250                    |
| Pansing Brooks for Legislature        | 500                      |
| Paul Kenney for Regent                | 500                      |
| Pete Ricketts for Governor            | 1,000                    |
| Seiler for Unicameral                 | 500                      |
| Stinner for Legislature               | 500                      |
| Suzanne C. Geist for Legislature      | 500                      |
| Watermeier for Legislature            | 500                      |
| Wayne for Nebraska                    | 500                      |
| <b>TOTAL</b>                          | <b>\$19,175</b>          |

\* Compiled March 8, 2018, from Accountability and Disclosure Commission records

In 2018, Peetz and Company was a bit less generous, giving \$11,000.

### Peetz and Company Campaign Contributions, 2018

| Campaign                              | Contribution Amount (\$) |
|---------------------------------------|--------------------------|
| ANNA WISHART FOR LEGISLATURE          | \$500                    |
| BRANDT FOR LEGISLATURE                | 500                      |
| CITIZENS TO ELECT JOHN ARCH           | 500                      |
| DAVE MURMAN FOR LEGISLATURE           | 500                      |
| EBKE FOR LEGISLATURE                  | 500                      |
| FRIENDS OF DAN WATERMEIER             | 500                      |
| FRIENDS OF LINDSTROM                  | 1,000                    |
| FRIENDS OF MIKE HILGERS-LEGISLATURE   | 500                      |
| FRIENDS OF MIKE MCDONNELL             | 500                      |
| HUGHES FOR LEGISLATURE                | 500                      |
| MACHAELA CAVANAUGH FOR LEGISLATURE    | 500                      |
| MATT DEAVER FOR LEGISLATURE           | 500                      |
| NEBRASKANS FOR MURANTE                | 1,000                    |
| NE CHAMBER OF COMMERCE & INDUSTRY PAC | 1,000                    |
| PETE RICKETTS FOR GOVERNOR            | 1,000                    |
| SUZANNE C. GEIST FOR LEGISLATURE      | 500                      |
| THIBODEAU FOR LEGISLATURE             | 500                      |
| WENDY DEBOER FOR LEGISLATURE          | 500                      |
| <b>TOTAL</b>                          | <b>\$11,000</b>          |

*\* Copied from Accountability and Disclosure Commission records on April 2, 2019*

## In-Session Fundraisers

Lobbyist-sponsored in-session fundraisers work well for both the lobbyist and the senators. The senators are in town, the lobbyists are in the rotunda and 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 to senators offers a free meal. The invitation that goes to lobbyists suggests \$100 at the door. Lobbyists may bring checks from their clients as well. These are closed events. The public and the press are not invited. Since much of the money comes in contributions under \$250, which is the current 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 these events, but the Government Committee has never advanced a single bill calling for restrictions.

One might think that term limits would reduce the demand for lobbying. That is not always the case. Some term-limited politicians like 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, lends itself to corruption or the perception of corruption.

### In-session Fundraisers Scheduled for 2019

| January                | February                  | March                   | April                     | May                 |
|------------------------|---------------------------|-------------------------|---------------------------|---------------------|
| 1st Senator<br>Brewer  | 6th Senator<br>La Grone   | 13th Senator<br>DeBoer  | 2nd Senator<br>M. Hansen  | 2nd Senator<br>Arch |
| 30th Senator<br>Brandt | 22nd Senator<br>Quick     | 21st Senator<br>Lathrop | 3rd Senator<br>Wishart    |                     |
|                        | 28th Senator<br>McDonnell | 27th Senator<br>Murman  | 5th Senator<br>Blood      |                     |
|                        |                           | 28th Senator<br>Walz    | 16th Senator<br>Cavanaugh |                     |
|                        |                           |                         | 24th Senator<br>Morfeld   |                     |
|                        |                           |                         | 26th Senator<br>McDonnell |                     |

*\* Compiled from the Clerk's Office records, April 3, 2019*

## 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 for financial gain.**

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

### Former State Elected Officials Registered as Lobbyists, 2018

| Lobbyist                     | Registered | 1st Year (\$)         | 2nd Year (\$)        | 2017 (\$) | 2018 (\$) |
|------------------------------|------------|-----------------------|----------------------|-----------|-----------|
| Chris Abboud (1983-1998)     | 2000†      | 7,500‡                | 49,470‡              | 59,888‡   | 67,014‡   |
| Greg Adams (2007-2015)       | 2016       | 6,666<br>(4th Q only) | 40,000<br>(Contract) | 40,555    | 41,459    |
| Allen Beermann (1971-1995)   | 2000†      | 2,000                 | 4,000                | 4,000     | 4,000     |
| Curt Bromm (1993-2004)       | 2005       | 116,000               | 146,500              | 116,068   | 146,034   |
| Jon Bruning AG (2003-2015)   | 2015       | 132,000‡              | 288,000‡             | 406,968‡  | 162,507   |
| Colby Coash (2009-2017)      | 2018       | 5,520                 |                      |           | 5,520     |
| Danielle Conrad (2007-2015)  | 2015       | 12,991                | 6,658                | 11,792    | 11,774    |
| Annette Dubas (2007-2015)    | 2015       | 3,500                 | 8,000                | 8,000     | 8,000     |
| Nicole Fox (2015-2016)       | 2017       | 5,833/mo.             | 5,320                | 37,173    | 5,320     |
| Tim Gay (2006-2010)          | 2011       | 54,961                | 61,793               | 100,000   | 128,000   |
| Burke Harr (2011-2018)       | 2019       | Houghton Bradford     |                      |           |           |
| Karen Kilgarin (1981-1984)   | 2000†      | 9,101                 | 18,524               | 13,077    | 13,281    |
| Scott Lautenbaur (2007-2014) | 2015       | 68,000                | 21,750               | 119,000   | 82,800    |
| John Lindsay (1989-1997)     | 2000†      | 62,126                | 126,049              | 100,260   | 100,334   |
| Jan McKenzie (1993-1997)     | 2000†      | 3,000                 | 19,000               | 48,691    | 42,526    |
| Heath Mello (2009-2017)      | 2017       | 66,000                | 67,355               | 66,000    | 67,355    |
| Mick Mines (2003-2007)       | 2008       | 56,000                | 76,000               | 162,894   | 160,901   |
| James Pappas (1983-1987)     | 2000†      | 6,000                 | 28,000               | 3,950     | 3,950     |
| Kent Rogert (2007-2011)      | 2011       | 76,300                | 46,300               | 72,000    | 72,000    |
| Kenneth Schilz (2008-2016)   | 2017       | Bruning‡              | 162,507‡             | 406,968‡  | 162,507‡  |

\* Chart compiled from Blue Book information April 3, 2019

† Online registration  
‡ Totals by lobbying firm

## ALEC: A LOBBYING ORGANIZATION WITH SECRETS

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The **American Legislative Exchange Council (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 where legislators can be educated and provided with actual bills ready to be introduced at their state legislatures. ALEC bills are typically introduced as homegrown and do not identify who drafted the bills. ALEC “model legislation” often aims at privatizing education and healthcare, rolling back environmental regulations and limiting consumer protection.

Each state has a legislator identified as the ALEC chair, and that person’s job 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. Legislators are expected to pay minimal dues, while ALEC conferences are held in the finest hotels in fun-filled locations to attract participants. 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.

Senator Jim Smith was the state chair in 2017. He refused to release his list of Nebraska legislative members but reported that nearly half of Nebraska senators had joined.

An 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:

Senator Curt Friesen ---- District 34  
Senator Brett Lindstrom ---- District 18  
Senator Lou Ann Linehan ---- District 39  
Senator John Lowe ---- District 37  
Senator Merv Riepe ---- District 12  
Senator Jim Smith ---- District 14, state chair and national board member  
Senator John Stinner ---- District 48

In 2018, it was reported by Documented Investigations that Senator Lou Ann Linehan had taken over as Nebraska’s ALEC state chair. She reported gifts from ALEC on her statement of financial interest in excess of \$1,500 for two conferences she attended. (Senators record a “C” if the gift is greater than \$500 but less than \$1,000. The letter “D” is recorded if the gift exceeds \$1,000. How much over \$1,000 does not have to be disclosed. Senator Linehan reported a “C” and a “D.” There are no other thresholds for gift reporting over \$1,000.)

Senator Lydia Brasch accepted an ALEC “scholarship” in excess of \$1,000, according to her 2018 statement of financial interest. Senator Joni Albrecht’s campaign funds were reimbursed in 2018 by ALEC for a conference expense of \$2,195, her campaign finance report showed. Senator John Lowe spent \$675 in campaign funds to attend an ALEC conference on May 8, 2018, and no reimbursement was recorded, according to his campaign finance reports.

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

## CONCLUSION

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Nebraska has some of the most lenient lobbying and fundraising rules in the country. Our reporting requirements are paltry, requiring only that spending on gifts of food and drink to senators be submitted as one lump sum. We even allow lobbyists to hold cash-based in-session fundraisers on the same days that senators vote on bills.

For eight years, Common Cause Nebraska has compiled lobbyists' expenses to document the growing wealth of the lobby and advance reforms to curb the influence of special interest money in politics. We continue to advocate for a two-year break before legislators can become lobbyists, an end to the practice of in-session fundraisers and greater transparency from both lobbyists and principals on how lobbyists influence policymakers.

We encourage you to use the data in this report to join us in holding elected officials accountable.

## APPENDIX:

### University Tickets Under the Reporting Threshold of \$100

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#### University of Nebraska Omaha (UNO) Hockey Night – Hockey Tickets Total (\$375)

|                          |                       |       |
|--------------------------|-----------------------|-------|
| Senator Sue Crawford     | UNO Hockey Ticket (2) | \$50  |
| Senator Burke Harr       | UNO Hockey Ticket (4) | \$100 |
| Senator Robert Hilkemann | UNO Hockey Ticket (2) | \$50  |
| Senator Rick Kolowski    | UNO Hockey Ticket (2) | \$50  |
| Senator Lou Ann Linehan  | UNO Hockey Ticket (2) | \$50  |
| Senator Jim Smith        | UNO Hockey Ticket (2) | \$50  |
| Senator Sara Howard      | UNO Hockey (1)        | \$25  |

#### University of Nebraska–Lincoln Basketball Tickets Total (\$84)

|                        |                            |      |
|------------------------|----------------------------|------|
| Senator Matt Williams  | Two (2) Basketball Tickets | \$42 |
| Governor Pete Ricketts | Two (2) Basketball Tickets | \$42 |

#### Staff Tickets

**\$1,740**

|                       |                             |      |
|-----------------------|-----------------------------|------|
| Lauren McCarthy       | Two (2) Spring Game Tickets | \$20 |
| Amara Meyer           | Two (2) Spring Game Tickets | \$20 |
| Beverly Neel          | Two (2) Spring Game Tickets | \$20 |
| Jacob Campbell        | Two (2) Spring Game Tickets | \$20 |
| Courtney McClellan    | Two (2) Spring Game Tickets | \$20 |
| Rick Leonard          | Two (2) Spring Game Tickets | \$20 |
| Tony Baker            | Two (2) Spring Game Tickets | \$20 |
| Julie Condon          | Two (2) Spring Game Tickets | \$20 |
| Michael Calvert       | Two (2) Spring Game Tickets | \$20 |
| Wanda                 | Two (2) Spring Game Tickets | \$20 |
| Phil                  | Two (2) Spring Game Tickets | \$20 |
| Mike L.               | Two (2) Spring Game Tickets | \$20 |
| Scott                 | Two (2) Spring Game Tickets | \$20 |
| Jeanne                | Two (2) Spring Game Tickets | \$20 |
| Doug Nichols          | Two (2) Spring Game Tickets | \$20 |
| Christina Mayer       | Two (2) Spring Game Tickets | \$20 |
| Shayna Bartow         | Two (2) Spring Game Tickets | \$20 |
| Tim Hruza             | Two (2) Spring Game Tickets | \$20 |
| Dick Clark            | Two (2) Spring Game Tickets | \$20 |
| Trevor Reilly         | Two (2) Spring Game Tickets | \$20 |
| Brandon Benson        | Two (2) Spring Game Tickets | \$20 |
| Laurie Vollertson     | Two (2) Spring Game Tickets | \$20 |
| Trinity Chappellear   | Two (2) Spring Game Tickets | \$20 |
| Mary Jacobsen         | Two (2) Spring Game Tickets | \$20 |
| Tim Erickson          | Two (2) Spring Game Tickets | \$20 |
| LaMont Rainey         | Two (2) Spring Game Tickets | \$20 |
| Kristina McGovern     | Two (2) Spring Game Tickets | \$20 |
| Charles Garman        | Two (2) Spring Game Tickets | \$20 |
| Sarah Wagelie         | Two (2) Spring Game Tickets | \$20 |
| Courtney Lyons        | Two (2) Spring Game Tickets | \$20 |
| Tom Green             | Two (2) Spring Game Tickets | \$20 |
| Mary Torell           | Two (2) Spring Game Tickets | \$20 |
| Beth Dineen           | Two (2) Spring Game Tickets | \$20 |
| Maddie Breeling       | Two (2) Spring Game Tickets | \$20 |
| Mackenzie Martin Fisk | Two (2) Spring Game Tickets | \$20 |
| Jessica Shelburn      | Two (2) Spring Game Tickets | \$20 |

|                      |                             |      |
|----------------------|-----------------------------|------|
| Josh Eickmeier       | Two (2) Spring Game Tickets | \$20 |
| Alycia Tiemann Brady | Two (2) Spring Game Tickets | \$20 |
| Aaron Bos            | Two (2) Spring Game Tickets | \$20 |
| Tim Duey             | Two (2) Spring Game Tickets | \$20 |
| Randi Schott         | Two (2) Spring Game Tickets | \$20 |
| Jan Foster           | Two (2) Spring Game Tickets | \$20 |
| William Marienau     | Two (2) Spring Game Tickets | \$20 |
| Jack Spray           | Two (2) Spring Game Tickets | \$20 |
| Linda Schmidt        | Two (2) Spring Game Tickets | \$20 |
| Cheryl Kizzier       | Two (2) Spring Game Tickets | \$20 |
| Charles Isom         | Two (2) Spring Game Tickets | \$20 |
| Sherry Shaffer       | Two (2) Spring Game Tickets | \$20 |
| Chris Triebisch      | Two (2) Spring Game Tickets | \$20 |
| Billy Stock          | Two (2) Spring Game Tickets | \$20 |
| Catlin Bates         | Two (2) Spring Game Tickets | \$20 |
| Megan Rothluebber    | Two (2) Spring Game Tickets | \$20 |
| Brandi Thorn         | Two (2) Spring Game Tickets | \$20 |
| Marcia McClurg       | Two (2) Spring Game Tickets | \$20 |
| Craig Breunig        | Two (2) Spring Game Tickets | \$20 |
| Katie Chatters       | Two (2) Spring Game Tickets | \$20 |
| Luke Robson          | Two (2) Spring Game Tickets | \$20 |
| Lauren Betka         | Two (2) Spring Game Tickets | \$20 |
| Taylor Gage          | Two (2) Spring Game Tickets | \$20 |
| Eric Malver          | Two (2) Spring Game Tickets | \$20 |
| Ryan Kopsa           | Two (2) Spring Game Tickets | \$20 |
| Samantha Billings    | Two (2) Spring Game Tickets | \$20 |
| Tyler Mahood         | Two (2) Spring Game Tickets | \$20 |
| Maggie Brumond       | Two (2) Spring Game Tickets | \$20 |
| Kristen Stiffler     | Two (2) Spring Game Tickets | \$20 |
| Laurie Weber         | Two (2) Spring Game Tickets | \$20 |
| Spencer Heas         | Two (2) Spring Game Tickets | \$20 |
| Patty Wade           | Two (2) Spring Game Tickets | \$20 |
| Krissa Delka         | Two (2) Spring Game Tickets | \$20 |
| Kory Bergquist       | Two (2) Spring Game Tickets | \$20 |
| Mary Jan Egr Edson   | Two (2) Spring Game Tickets | \$20 |
| Lisa Johns           | Two (2) Spring Game Tickets | \$20 |
| Hadassah Moore       | Two (2) Spring Game Tickets | \$20 |
| Rodney Krogh         | Two (2) Spring Game Tickets | \$20 |
| Erik Servellon       | Two (2) Spring Game Tickets | \$20 |
| Meg Mandy            | Two (2) Spring Game Tickets | \$20 |
| Tom Arnsperger       | Two (2) Spring Game Tickets | \$20 |
| Brandon Bayer        | Two (2) Spring Game Tickets | \$20 |
| Kim Kavis            | Two (2) Spring Game Tickets | \$20 |
| Laura Olson          | Two (2) Spring Game Tickets | \$20 |
| Janice Satra         | Two (2) Spring Game Tickets | \$20 |
| Chuck Hubka          | Two (2) Spring Game Tickets | \$20 |
| Precious McKesson    | Two (2) Spring Game Tickets | \$20 |
| Jake Seeman          | Two (2) Spring Game Tickets | \$20 |
| Trevor Fitzgerald    | Two (2) Spring Game Tickets | \$20 |
| Dexter Schrodtt      | Two (2) Spring Game Tickets | \$20 |
| Natalie Schunk       | Two (2) Spring Game Tickets | \$20 |

*\* These lists are copied directly from the university's 2019 principal's report*







**Common  
Cause**

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Nebraska

*Holding Power Accountable*