

## DEMOCRACY REFORM TASK FORCE WEEKLY NEWS ROUND UP

April 13, 2018

## NATIONAL NEWS

## Majority of Americans Support Mueller's Probe of Russia

#### **The Washington Post**

A clear majority of Americans support special counsel Robert S. Mueller III's investigation of Russian interference in the 2016 election and alleged collusion with President Trump's campaign, a new Washington Post-ABC News poll finds. The results show backing for inquiries into Trump's orbit on several fronts. Nearly 7 in 10 adults say they support Mueller's focus on possible collusion with Russia. Sixty-four percent say they want the special counsel investigating Trump's business activities. And a 58 percent majority supports investigating alleged payments by Trump associates to silence women who say they had affairs with him.

## Trump Sought to Fire Mueller in December

#### The New York Times

In early December, President Trump, furious over news reports about a new round of subpoenas from the office of the special counsel, Robert S. Mueller III, told advisers in no uncertain terms that Mr. Mueller's investigation had to be shut down. The president's anger was fueled by reports that the subpoenas were for obtaining information about his business dealings with Deutsche Bank, according to interviews with eight White House officials, people close to the president and others familiar with the episode. To Mr. Trump, the subpoenas suggested that Mr. Mueller had expanded the investigation in a way that crossed the "red line" he had set last year in an interview with The New York Times. ... The December episode, which has never been publicly reported, has new resonance following the disclosure on Monday that F.B.I. agents had carried out search warrants at the office and hotel room of Mr. Trump's personal lawyer, Michael D. Cohen. In that action, the Justice Department seems to have walked directly up to — if not crossed — Mr. Trump's red line by examining something that seems unrelated to Russia.

\*Related Story: <u>Bipartisan Senators Unveil Compromise Special Counsel Bill</u>.

\*Related Story: <u>Mueller Investigating Ukrainian's Payment for a Trump Appearance</u>.

# Cohen Investigated for Possible Fraud, Campaign Finance Violations

#### The Washington Post

Michael Cohen, the longtime attorney of President Trump, is under federal investigation for possible bank fraud, wire fraud and campaign finance violations, according to three people with knowledge of the case. FBI agents on Monday raided Cohen's Manhattan office, home and hotel room as part of the investigation, seizing records about Cohen's clients and personal finances. Among the records taken were those related to a 2016 payment Cohen made to adult-film star Stormy Daniels, who claims to have had a sexual encounter with Trump, according to a fourth person familiar with the investigation. Investigators took Cohen's computer, phone and personal financial records, including tax returns, as part of the search of his office at Rockefeller Center, that person said. In a dramatic and broad seizure, federal prosecutors collected communications between Cohen and his clients — including those between the lawyer and Trump, according to both people.

\*Related Story: <u>Raids on Trump's Lawyer Sought Record of Payments to Women</u>.

## Trump's Company Is Suing Towns Across the Country to Get Tax Breaks ProPublica

President Donald Trump is famous for bragging about his net worth.... Yet quietly in another setting, the Trump Organization says the president's holdings are worth far less than he has proclaimed. Across the country, the Trump Organization is suing local governments, claiming it owes much less in property taxes than government assessors say because its properties are worth much less than they've been valued at.... At stake is millions of dollars that communities use to fund roads, schools and police departments. Real estate owners dispute property taxes frequently, and some even sue. The president has a long track record of doing so himself. But experts are troubled that he's doing so while in office.

## Trump Fine with Officials Using His Hotels to Curry Favor

#### Miami New Times

Trump's hotels have become a magnet for all kinds of people seeking influence within his administration. Mar-a-Lago, where Trump and his aides often spend their weekends, has doubled its membership fee to \$200,000 since Trump took office. Trump International Hotel in Washington is so coveted by foreign countries for their conventions, that some have moved events from other hotels to the property. Before Trump's election, Kuwait had made a "save

the date" reservation to celebrate its 2017 national holiday at Washington's Four Seasons Hotel. But after Trump's election victory, Kuwait quickly moved the event to the Trump International Hotel, according to press reports that were confirmed by the Kuwaiti Embassy. Kuwait reportedly spent up to \$60,000 for the event. Last year, officials and lobbyists from Saudi Arabia spent \$270,000 in rooms, catering and parking fees at the Trump's Washington, D.C., hotel, according to foreign lobbying disclosures first reported by the Daily Caller website.

### Six Shadiest Trump Doral Events Since Donald Became President

#### Miami New Times

Since Trump took office, a whole lot of major corporations and lobbying groups have "mysteriously" decided to start holding huge galas and events at the Trump National Doral golf course. Take the predatory payday-lending industry: Lenders are planning on holding a huge event at the golf course in roughly one week — right as they're also lobbying the Trump administration to roll back lending regulations. What a coincidence! Here's a breakdown of the most obviously shady events held at the Trump Doral since our big, pockmarked pear of a president took office: 1) The Upcoming Payday-Lending Palooza; 2) The GEO Group Private-Prison Bash; 3) The Republican Party's Parties; 4. Big Candy's Big Event While Also Doing Big Lobbying; 5. The Insurance Industry's Love for the Trump Doral; and 6. The Metals Service Center Institute's Party After Trump Began Pipeline Construction.

## Ivanka Clothing Company Will Be Spared from Tariffs, Thanks to Her Dad Think Progress

The steel and aluminum industries in China will soon be slapped with tariffs up to \$50 billion by President Donald Trump. On Thursday, after China announced their intentions to retaliate against the United States with \$50 billion in tariffs of their own against U.S. goods, Trump warned that his administration would respond with another set of tariffs, this time targeting \$100 billion worth of Chinese goods. Exempt from the proposed tariffs against China, however, is the clothing manufacturing industry. U.S. officials say they used an algorithm to determine which goods to exclude from new tariffs. According to the Washington Post, the list was drafted to achieve "the lowest consumer impact," ensuring goods like clothing and toys were excluded so as not to raise the cost on domestic consumer goods. Exempting clothing from the tariffs provides a big break to American clothing companies that hold trademarks in China. One of those clothing companies belongs to the First Daughter of the United States, Ivanka Trump.

Trump Company Lawyers Seek Panama President's Help

#### The Washington Post

Lawyers representing President Trump's company last month wrote directly to the president of Panama, asking him to intervene in a legal fight over the Trump International Hotel in the capital — and warning that the case could have "repercussions" for Panama's reputation. The law firm, Panama-based Britton and Iglesias, wrote in Spanish to President Juan Carlos Varela on March 22 to "urgently request your influence in relation to a commercial dispute regarding the Trump hotel." At the time, the majority owner of the Trump hotel — Cypriot-born investor Orestes Fintiklis — had kicked out the Trump Organization as the hotel's manager, after a ruling from a low-level Panamanian judge. The president's company was seeking to retake control. The request was extraordinary: The U.S. president's company was asking the leader of a U.S. ally to intercede on its behalf, disregarding Panama's separation of powers.

## Payment for Trump Love Child Story Was Illegal Campaign Contribution Newsweek

The reported \$30,000 payment American Media Inc. made for a rumored story about President Donald Trump fathering an illegitimate child in the 1980s was an illegal campaign contribution, a government watchdog said in complaints filed to the Federal Election Commission and the Justice Department on Thursday. Grassroots organization Common Cause claimed the hefty sum the publisher of the *National Enquirer* gave to former Trump World Tower doorman Dino Sajudin for the rumor violated contribution limits and contribution reporting requirements. The complaint filed with the FEC, charged with regulating campaign finance, accused Trump, his campaign and American Media, while the Justice Department complaint was addressed to Deputy Attorney General Rod Rosenstein.

# In Letter to EPA, Top Ethics Officer Questions Pruitt's Actions

#### **The New York Times**

The federal government's top ethics official has taken the unusual step of sending a letter to the Environmental Protection Agency questioning a series of actions by Administrator Scott Pruitt and asking the agency to take "appropriate actions to address any violations." The letter, sent to Kevin Minoli, the E.P.A. official designated as the agency's top ethics official, addresses questions about Mr. Pruitt's rental for \$50 a night of a condominium linked to an energy lobbyist, as well as his government-funded flights to his home state of Oklahoma. The letter also cites reporting last week in The New York Times that agency staff members who raised concerns about these and other actions found themselves transferred or demoted. "The success of our government depends on maintaining the trust of the people we serve," said David J. Apol, acting director of the Office of Government Ethics, in the letter sent Monday morning to the E.P.A. "The American public needs to have confidence that ethics violations, as well as the appearance of ethics violations, are investigated and appropriately addressed."

\*Related Story: Internal Email Contradicts Pruitt's Account of Controversial Raises. \*Related Story: EPA Chief of Staff Says He, Not Pruitt, Authorized Big Raises.

\*Related Story: Embattled EPA Chief's Calendar Shows Industry Had His Ear.

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\*Related Story: <u>Congress Demands EPA Administrator Scott Pruitt's Records on Travel, Lease</u>.

\*Related Story: At EPA, Pruitt's 'Sheriff' Clashed with Critics of Spending.

\*Related Story: Pruitt's Lobbyist Landlord Being Pressured to Leave His Firm.

## White House Publishes Agency Visitor Logs, Showing Lobbyist Meetings Bloomberg

The White House has published visitor logs for a group of key federal agencies, providing a first glimpse into the lobbyists and special-interest groups meeting with Trump administration officials. The lists were posted late Tuesday as part of a settlement between the administration and Public Citizen, a watchdog group that sued the government for release of the logs. The lists include visitors to the Office of Management and Budget, Office of Science and Technology Policy, and Council on Environmental Quality. Information about guests visiting the Office of National Drug Control Policy will post soon. Visitors include a string of outside advocates, including Lee Janger of the Alliance for Vehicle Efficiency, Laurie Holmes of the Data Coalition, an industry group that advocates for more open data in government. Researchers from conservative think tanks including the Competitive Enterprise Institute and Heritage Foundation were also among those holding meetings with administration officials.

## Under Trump, a Voice for the American Consumer Goes Silent

#### **The Associated Press**

In the 135 days since the Trump administration took control of the nation's consumer watchdog agency, it has not recorded a single enforcement action against banks, credit card

companies, debt collectors or any finance companies whatsoever. That's likely no fluke: Mick Mulvaney, appointed acting director of the Consumer Financial Protection Bureau in late November, promised to shrink the bureau's mandate and take a much softer approach to enforcement, and records reviewed by The Associated Press indicate he has kept his word. A review of a CFPB database obtained by the AP through a Freedom of Information request shows that the bureau issued an average of two to four enforcement actions a month under former Director Richard Cordray, President Obama's appointee. But the database shows zero enforcement actions have been taken since Nov. 21, 2017, three days before Cordray resigned.

## New Memo Shows How Republicans Used Tax Bill to Enrich Themselves Crooked

Democrats are gearing up to make the culture of corruption President Donald Trump and his allies in Congress have brought to Washington, DC a major theme of the 2018 midterm elections. Trump himself (favorability, 40 percent) will surely play a starring role in that campaign, as will supporting characters like EPA Administrator Scott Pruitt, who is amassing corruption scandals at a record-breaking clip, and Republicans in Congress, who refuse to conduct appropriate oversight. But Republican complicity in the culture of corruption isn't limited to turning a blind eye to the goings on in the executive branch. To the contrary, the GOP's signature legislative accomplishment in the Trump era is an artifact of the deep rot of corruption running through Republican politics writ large, and there are new indications that the Democratic Party is prepared to extend the corruption case beyond Trump and his cabinet secretaries to the people who will actually face voters in November.

## Facebook Broadens Ad Disclosures Ahead of Zuckerberg Testimony POLITICO

Facebook said Friday it will require transparency for more kinds of political advertisements — the latest in a string of concessions from the social network as CEO Mark Zuckerberg prepares to face Congress next week. The company announced it will require the buyers of so-called issue ads — which focus on topics like gun control, immigration or race relations but don't endorse a specific candidate — to confirm their location and identity, and make them display a label and disclaimer about who paid for them, just as Facebook plans to do with election-related ads. Facebook has faced intense criticism for allowing the Russian troll farm known as the Internet Research Agency to flood its platform with ads that advertised fake events, stoked anti-Muslim and anti-immigrant sentiment and exploited the Black Lives Matter movement in an effort to deepen American social and political divisions during the 2016 campaign. Some of those ad campaigns were highlighted in special counsel Robert Mueller's

indictment of 13 Russian nationals for conducting illegal "information warfare" to disrupt the election.

# Supreme Court Soon to Decide When Campaign Check Becomes a Bribe Election Blog

Rod Blagojevich's lawyers want the Supreme Court to tackle that question when the justices hold their weekly conference Friday. The court could reveal as soon as next week whether it will take the case. Blagojevich's former colleagues in Congress are paying close attention. In a friend-of-the-court brief, current and former public officials weighed in, including Illinois Democratic Reps. Jan Schakowsky, Danny Davis, Bill Foster, Louis Gutiérrez, Mike Quigley and Bobby Rush, as well as Robert Barr a Republican former U.S. attorney and U.S. House member from Georgia. The brief said a "bright-line standard" differentiating between bribery and campaign fundraising was needed "to prevent selective enforcement in the campaign contribution context, because it is the rule, rather than the exception, that a candidate's financial supporters make contributions with the belief that the candidate, if elected, will adopt positions that further the supporters' interests."

## Former Texas Congressman Steve Stockman Found Guilty of 23 Felonies

#### **Texas Tribune**

Steve Stockman, a Republican former congressman from Texas, has been convicted of defrauding two conservative mega-donors and funneling their \$1.25 million into personal and campaign expenses as part of what prosecutors have described as a "white collar crime spree." A jury in federal court in Houston ruled Thursday afternoon that Stockman is guilty of all but one of the 24 felonies he was charged with last March. After about 16 hours of deliberations over three days, the 12-person panel only declined to convict on one of four counts of wire fraud. Stockman will appeal the verdict, his defense team said. "Mr. Stockman is keeping his head up and we're looking forward to getting through to the next stage of this," defense attorney Sean Buckley said. That verdict puts Stockman — a firebrand conservative who served two nonconsecutive terms in the U.S. House before losing a 2014 challenge to U.S. Sen. John Cornyn, R-Texas — at risk of decades in federal prison.

## **KEY OPINION**

It's Mueller, Not Trump, Who Is Draining the Swamp The New York Times (Op-ed by Quinta Jurecic of Lawfare) Following the investigation of the special counsel, Robert Mueller, is an enduring lesson in humility, and not merely because no one — not the president, not legal analysts or anyone else — has been able to predict what his office will do next. Mr. Mueller is much more than a prosecutor. To many, he has become Mr. Trump's opposite: an avatar of justice and probity... The country is living through an astonishing story without a full sense of what that story is. But as the public waits to discover what the Trump team knew and when they knew it, Mr. Mueller has been telling another story, about "draining the swamp." And how that story plays out stands to have a major effect on how our politics moves forward after the investigation is complete. The special counsel's indictments of Paul Manafort, Rick Gates and Alex van der Zwaan outline a system of international graft. Mr. Manafort and Mr. Gates are charged with laundering millions of dollars gained from their work for unscrupulous oligarchs. Mr. van der Zwaan entered the picture when Mr. Manafort commissioned his law firm to help clean up the image of the corrupt Ukrainian government — an effort in which numerous well-connected Washington lobbyists were involved, though none disclosed their work publicly.

## Firing Mueller Would be a Catastrophic Mistake

#### CNN (Op-ed by Norman Eisen and Fred Wertheimer)

President Trump said Thursday that he hasn't given any thought to firing Robert Mueller, who is leading the Russia investigation that Trump has described as a "witch hunt." But this new statement contradicts earlier ones made by people close to Trump that the President was considering firing Mueller. Given these earlier statements and the fact that President Trump himself has said he fired FBI Director James Comey to get rid of the "great pressure" of the Russian investigation, Trump's most recent assertions are not particularly credible. President Trump has no legitimate basis for getting rid of Mueller or his office. And if he does fire Mueller and shut down the Russia investigation, an enormous national firestorm will occur. The public opposes the removal of Mueller from his position by better than 2 to 1. And numerous congressional Republicans and Democrats have expressed their support for Mueller and their opposition to his removal. Last week, two bipartisan bills were introduced by Sens. Lindsey Graham, Cory Booker, Thom Tillis and Chris Coons to protect Mueller from being fired.

## **NEW REPORTS**

## Social Media is Now Prime Conduit for Foreign Interference

#### **The Brennan Center**

As Facebook chief Mark Zuckerberg heads to Capitol Hill this week to answer for his company's manifold security failures, the Brennan Center for Justice at NYU Law released a

new report today mapping out how Facebook, Twitter, Google, and other internet platforms now represent a major vulnerability for the country's longstanding ban against foreign spending in domestic elections. The report, Getting Foreign Funds Out of America's Elections, offers the first comprehensive set of solutions to prevent foreign actors from unduly influencing American elections through political spending. Without reform, foreign actors can easily purchase advertising on these platforms and elsewhere to skirt the disclosure laws that have protected our elections for decades.... With a preface by national security expert Richard Clarke, the report details the chain of failures that allowed foreign entities to purchase online advertising to sway the 2016 presidential election. The Brennan Center's research shows how promoted posts reached tens of millions of Americans across social networks, and how those efforts were enabled by the failure to update regulations on political advertising since 2002.

