

DEMOCRACY REFORM TASK FORCE WEEKLY NEWS ROUND UP

July 20, 2018

NATIONAL NEWS

<u>Trump Endorses Putin Proposal to Have Russian Operatives Work Mueller</u> Probe

New York Magazine

On Friday, the U.S. government indicted 12 Russian intelligence officials for committing cybercrimes that were aimed at disrupting — and discrediting — American democracy. Three days later, following his summit with Vladimir Putin, President Donald Trump suggested that America's intelligence agencies were wrong to believe that Russia intervened in the 2016 election; blamed American law enforcement agents for bringing U.S.—Russian relations to an all-time low; and endorsed a bizarre proposal from Putin, in which Special Counsel Robert Mueller would work with Russian officials to investigate cybercrimes against American political organizations. At a press conference in Helsinki, Trump said, "I don't see any reason" to believe that the Russian government interfered in the 2016 election, because Putin "was extremely strong and powerful in his denial." ... Trump went on to endorse Putin's idea for how that probe should operate going forward: Russian law enforcement would agree to interrogate the 12 Russians that Mueller had indicted — and allow members of his team to observe those interrogations — *in exchange* for the United States agreeing to interrogate American intelligence officials whom the Kremlin has accused of committing crimes against Russia.

Mariia Butina, Who Sought Meeting for Trump and Putin, Is Charged

The New York Times

A Russian woman who tried to broker a secret meeting between Donald J. Trump and the Russian president, Vladimir V. Putin, during the 2016 presidential campaign was charged Monday and accused of working with Americans to carry out a secret Russian effort to influence American politics. At the behest of a senior Russian government official, the woman, Mariia Butina, made connections through the National Rifle Association, religious organizations

and the National Prayer Breakfast to try to steer the Republican Party toward more pro-Russia policies, court records show. Privately comparing herself to a Soviet Cold War propagandist, she worked to infiltrate American organizations and establish "back channel" lines of communication with American politicians.

*Related Story: Indicted Russian Firm Says it was Backing Free Political Speech.

\$88 Million and Counting: Trump Amasses Huge Head Start for 2020

The New York Times

President Trump has raised more than \$88 million for his re-election campaign over the last year and a half, giving him a dramatic head start on prospective Democratic challengers in the 2020 race. Mr. Trump's campaign committee, combined with two joint committees formed with the Republican Party, ended last month with nearly \$53.6 million in the bank — almost \$10 million more than their previous largest balance — according to finance reports filed Sunday evening with the FEC. The totals reflect a brisk and continued fund-raising effort by Mr. Trump's campaign operation that, in a departure from usual presidential practice, started even before he took office. Most new presidents shift their political operations to their national party committee until launching their re-election campaign after the first midterm election of their tenure.

In Trump's UK Visit, Some See 'Infomercial' for Money-Lasting Golf Resort

The New York Times

Before arriving in Scotland — the birthplace of his mother as well as that of Mr. Trump's preferred pastime — the president managed repeatedly to plug Turnberry, one of two Scottish resorts that bear his name, as he dealt with some of the most pressing diplomatic problems facing his administration to date. It is a tactic that has alarmed ethics watchdogs, who say he is using his presidential platform to promote a resort that, according to financial fillings, has been a burden on the family business. While the president has blazed a chaotic streak through Europe this past week, Turnberry has received special recognition amid other Trump-issued sound bites that analysts say have undermined the United States' relationships with close NATO allies. At a hastily arranged news conference in Brussels, when asked to discuss his message for Britain on its exit from the European Union, Mr. Trump said he had none — a thought he would later undermine in stunning fashion in an interview splashed on the cover of the British tabloid The Sun. Then, Mr. Trump wove in a reference to Turnberry, on breathtaking bluffs and cliffs on the western coast of Scotland, calling it "magical" and "one of my favorite places."

*Related Story: Trump's Turnberry Firm Paid 50,000 Pounds by U.S. for Weekend Visit.

Don Jr., Eric Trump Racked Up Nearly \$250,000 in Secret Service Costs POLITICO

One month of Secret Service protection for Eric Trump and Donald Trump Jr. cost taxpayers close to a quarter of a million dollars last year, according to new spending documents obtained by a watchdog group. The president's sons traveled overseas for Trump family business on two trips that cost the Secret Service nearly \$250,000. Taxpayers footed the bill for hundreds of thousands of dollars in hotels, airfare and other costs for Secret Service protection, according to documents obtained by nonprofit Citizens for Responsibility and Ethics in Washington... In February 2017, Eric and Donald Trump Jr. traveled together to Dubaito open a golf club under the Trump brand. The trip cost the Secret Service \$200,000, CREW says. According to the spending documents, the agency paid \$125,000 for airfare, \$75,000 for hotel rooms and \$15,000 for miscellaneous expenses including cellphones and car service.

The Biggest Spender of Political Ads on Facebook? President Trump

The New York Times

It's official: President Trump is the single biggest political advertiser on Facebook. Mr. Trump and his political action committee spent \$274,000 on ads on the social network since early May, outpacing the second-biggest spender, Planned Parenthood Federation of America, a nonprofit organization that provides reproductive health care. Planned Parenthood spent just over \$188,000 on Facebook ads over the same period. The ads bought by Mr. Trump and his PAC were also seen the most by Facebook's users, having been viewed by at least 37 million people since May.... Facebook in May began an archive of political ads, which is a publicly searchable database that catalogs the ads and identifies which groups or individuals paid for them.

Under Trump, Energy Influence Groups Ramp Up

Axios

President Trump has scrambled traditional alliances in Washington across the policy spectrum, including energy. The capital's influence apparatus is responding in kind. Informal coalitions are popping up under Trump more than they have in the past, according to veteran Washington consultants and newly compiled federal lobbying data. These groups are mostly separate from the familiar, entrenched trade groups that traditionally run Washington's lobbying and public relations machine.

Who Is Paying for the Next Supreme Court Justice?

The Washington Post

Before President Trump tapped Brett M. Kavanaugh to replace Justice Anthony M. Kennedy on the Supreme Court, the dark-money spigots were already beginning to open. As politics increasingly defines judicial nominations, confirmation battles for major judgeships are looking more and more like political campaigns, with shadowy groups pouring cash into national advertising and lobbying initiatives while keeping their donors and spending decisions opaque. This deprives Americans of information about who is backing nominees to some of the most powerful seats in the land, and it increases the likelihood that judges and politicians will feel pressure to make decisions that partisan spending networks demand. Top on the list of major outside spenders is the Judicial Crisis Network, which pledged \$7 million in 2016 for a pressure campaign to block Obama high court nominee Merrick Garland, plus \$10 million the following year to help Neil M. Gorsuch get confirmed to the seat. The network has already announced it would spend \$2.4 million on Mr. Kavanaugh's confirmation.

*Related Story: Kavanaugh Has an Unsettling Record on Democracy.

*Related Story: Russian Firm Uses Kavanaugh Decision, to Argue to Dismiss Charges.

U.S. Treasury Restricts Donor Disclosure Rule for Some Nonprofits

The Wall Street Journal

The Treasury Department will allow some nonprofit groups to provide less information about donors on their tax forms in a win for conservative organizations engaged in politics. Until now, nonprofit groups, including charities and trade associations, had to list contributors who give at least \$5,000 on what is known as Schedule B. The IRS received the complete version, and the groups publicly released redacted forms without identifying information about donors. Under the change announced late Monday, charities and political groups still must provide the names and addresses of donors, but other nonprofits don't. Organizations that no longer need to provide the information include social welfare organizations, which can engage in politics and don't have to disclose their donors to the Federal Election Commission. Social welfare groups have been active across the political spectrum, but conservative ones have been particularly involved in politics. Some of the largest groups affected include an arm of the National Rifle Association, the U.S. Chamber of Commerce and Americans for Prosperity, a group tied to billionaires Charles and David Koch.

*Related Story: Government Is Making It Easier for "Dark Money" Donors to Go Unnamed.

First Lady's Spokeswoman May Have Misused Office Position in Tweet

The Washington Post

A tweet by the first lady's spokeswoman from her official account containing a photo from the president's 2015 campaign rally and his campaign slogan may have violated a federal law that prohibits public employees from using their official capacity to conduct political activity, according to a complaint filed Monday with federal investigators.... Government watchdog group Citizens for Responsibility and Ethics in Washington (CREW) claimed the tweet ran afoul of the Office of Special Counsel's guidance on the Hatch Act, which prohibits public employees from using their official capacity to conduct political activity. The U.S. Office of Special Counsel is a separate agency from the DOJ special counsel's office.

Interior Watchdog Opens Probe of Land Deal Lining Zinke, Halliburton POLITICO

The Interior Department's internal watchdog has launched a full investigation into a real estate deal involving a foundation established by Ryan Zinke and developers including Halliburton Chairman David Lesar, which was first reported by POLITICO last month, according to a letter the office sent to House Democrats on Wednesday. The inspector general's probe will focus on whether Zinke violated conflict of interest laws, the latest official inquiry of Zinke's activities in his 16 months helming the department.... Zinke's role at Interior places him as one of the chief regulators overseeing oil and gas drilling activities, including those performed by Halliburton, one of the world's largest fracking and offshore drilling services companies.

Ross Says He'll Sell Stock After Watchdog Warns of Criminal Violation

The New York Times

Wilbur Ross, the commerce secretary, said he would sell all of his remaining stock holdings after the Office of Government Ethics faulted him for continuing to maintain investments that he was required to divest and entering into new ones. In a strongly worded letter, the ethics office said Mr. Ross's continued ownership of assets that his ethics agreement required him to divest — and his decision to open short sale positions while serving as Commerce secretary — could have placed him in position to violate criminal conflict of interest laws. It also faulted him for "various omissions and inaccurate statements" in documents filed with the Office of Government Ethics... In a statement Thursday evening, Mr. Ross said that he had made "inadvertent errors" and would sell all of his equity holdings and place the proceeds in United States Treasury bills "to maintain the public trust."

EPA Eases Rules on How Coal Ash Waste Is Stored Across U.S.

The Washington Post

The Environmental Protection Agency finalized a rule Tuesday to overhaul requirements for handling the toxic waste produced by burning coal, providing more flexibility to state and industry officials who had sought a rollback of restrictions put in place in 2015. The far-reaching rule will dictate how coal ash, which has contaminated waterways in two high-profile spills in Tennessee and North Carolina in the past decade, is stored at more than 400 coal-fired power plants around the country. The new standards — the first major rule signed by EPA acting administrator Andrew Wheeler — will extend the life of some existing ash ponds from April 2019 until October 2020, empower states to suspend groundwater monitoring in certain cases and allow state officials to certify whether utilities' facilities meet adequate standards. The rule change will save the industry between \$28 million and \$31 million a year in compliance costs.

Federal Auditor Calls for Recouping \$341K Tom Price Spent on Flights POLITICO

Former HHS Secretary Tom Price took 20 trips that violated federal requirements, according to a federal auditor that urged the department in a Friday report to recover at least \$341,000 in wasted spending. Price, who was forced out last year following a POLITICO investigation into his extravagant use of private and military aircraft, has already voluntarily repaid the government around \$60,000. It was not immediately clear how or if he might be forced to repay the rest. A department spokesman said HHS will seek guidance from the Justice Department "whether there is legal basis for recoupment." A spokesman for Price declined to say if he would pay back the government. The audit from the HHS inspector general, which came about 10 months after Price's resignation, found he and his staff spent more than \$1.2 million on travel during his tenure at HHS. The report identified roughly \$480,000 in costs from chartered planes and another \$700,000 in flights on military aircraft.

Detaining Immigrant Kids Now a Billion-Dollar Industry

The Associated Press

Detaining immigrant children has morphed into a surging industry in the U.S. that now reaps \$1 billion annually — a tenfold increase over the past decade, an Associated Press analysis finds. Health and Human Services grants for shelters, foster care and other child welfare services for detained unaccompanied and separated children soared from \$74.5 million in 2007 to \$958 million in 2017. The agency is also reviewing a new round of proposals amid a growing effort by the White House to keep immigrant children in government custody. Currently, more than 11,800 children, from a few months old to 17, are housed in nearly 90 facilities in 15 states — Arizona, California, Connecticut, Florida, Illinois, Kansas, Maryland, Michigan, New Jersey,

New York, Oregon, Pennsylvania, Texas, Virginia and Washington. They are being held while their parents await immigration proceedings or, if the children arrived unaccompanied, are reviewed for possible asylum themselves.

House GOP Refuses to Renew Election Security Funding

The Washington Post

House Republicans on Thursday approved a spending bill that excludes new money for election security grants to states, provoking a furious reaction from Democrats amid a national controversy over Russian election interference. The spending bill passed 217-199. Democrats' bid to add hundreds of millions more in election spending was rejected 182-232 — as Republicans were unmoved by Democrats floor speeches decrying the funding changes and chanting "USA! USA!" At issue is a grants program overseen by the federal Election Assistance Commission and aimed at helping states administer their elections and improve voting systems; Democrats want to continue grant funding through 2019, while Republicans say the program already has been fully funded. Republicans argued strenuously in floor debate Wednesday that states had plenty of money from prior congressional allocations to spend on election improvements. But Democrats accused the Republicans of abetting President Trump in his refusal to take a hard line against Russian President Vladimir Putin this week in Helsinki.

*Related Story: States Slow to Prepare for Hacking Threats.

House Conservatives Prep Push to Impeach Rosenstein

POLITICO

House conservatives are preparing a new push to oust Deputy Attorney General Rod Rosenstein, according to three conservative Capitol Hill sources — putting the finishing touches on an impeachment filing even as Rosenstein announced the indictment of 12 Russian intelligence officers for interfering in the 2016 election. House Freedom Caucus Chairman Mark Meadows, in fact, had the impeachment document on the floor of the House at the very moment that Rosenstein spoke to reporters and TV cameras Friday. Conservative GOP lawmakers have been plotting to remove Rosenstein for weeks, accusing him of slow-walking their probe of FBI agents they've accused of bias against President Donald Trump.

How Members of Congress Cultivate Wealthy Donors Through PAC

The Washington Post

In both cases and many more like these, the money came from a loosely regulated pot of money that lawmakers use to advance their standing in Congress and support other members' reelection campaigns. A report released Thursday by two advocacy groups seeking greater

regulation of campaign finance offers insight into the swanky world of fundraising for political action committees known as leadership PACs — at five-star resorts, high-dollar events and exclusive golf clubs. Leadership PACs were established in 1978 by then-Rep. Henry A. Waxman (D-Calif.) to help like-minded Democratic lawmakers advance to higher-ranking positions in Congress. The idea was to let members raise money for their allies on the Hill through fundraising vehicles separate from their campaign committees. The money is often used for what's called donor cultivation: feting wealthy supporters in the hopes that they will write big checks back to the leadership PAC and other committees.

Secret Money Funds More Than 40% of Outside Congressional Ads USA Today

Secret donors financed more than four out of every 10 television ads that outside groups broadcast this year to influence November's high-stakes congressional elections, according to a USA TODAY analysis of Kantar Media data. Leading the way: organizations affiliated with billionaire industrialist Charles Koch, whose conservative donor network plows hundreds of millions of dollars into politics and policy debates each election cycle. Two Koch-affiliated groups account for more than one-quarter of the House and Senate advertising from groups that don't disclose their donors, according to a tally of broadcast ads tracked by Kantar Media's Campaign Media Analysis Group. Those Koch advocacy groups, Americans for Prosperity and Concerned Veterans for America, have trained their advertising fire on five Democratic senators up for re-election from red and purple states: Sens. Joe Donnelly of Indiana, Claire McCaskill of Missouri, Jon Tester of Montana, Heidi Heitkamp of North Dakota and Tammy Baldwin of Wisconsin. The spending is about to soar even higher as November's general election draws closer and the ad war intensifies over Brett Kavanaugh.

Gerrymandering as a Campaign Issue

NPR

After the Supreme Court declined to make a decision about whether partisan gerrymandering is unconstitutional, the issue is becoming a campaign issue for Democrats around the country.... Jim Henson with The Texas Politics Project has done polling on this issue for years. He says Democrats are increasingly concerned about gerrymandering, but it doesn't mobilize them as issues like health care do.... But Henson says Democratic voters are becoming more politically aware of measures they say are aimed at suppressing Democratic votes. That includes things like the Texas voter ID law.... Voters in other parts of the country will also be

^{*}Related Story: Nunes Used Political Dollars for \$15K in Celtics Tickets, Winery Tours and Vegas Trips.

^{*}Related Story: Rand Pauls Uses Donor Cash for European Trips, While Little Goes to Candidates.

^{*}Related Story: Charlie Palmer Steak, Men's Wearhouse – When PACs Pick Up Lawmaker Tabs.

weighing in on gerrymandering this fall. At least three states will have ballot measures aimed at reducing the role of party politics in redistricting. For NPR News, I'm Ashley Lopez in Austin.

IN THE STATES

Don't Like Clean Elections? Try to Change the Law

Bangor Daily News (Editorial Board)

After dealing with 42 vetoes from Gov. Paul LePage last week, lawmakers turned their attention to resolving a fight they shouldn't even be having. Because of a drafting error, funding for the state's Clean Elections system remains in limbo. Lawmakers last year approved \$3 million in funding for Maine's Clean Election program as part of the state's budget. A mistake in drafting the budget, however, has left the Maine Commission on Governmental Ethics and Election Practices unable to distribute the funds to candidates and campaigns. Rather than fixing the drafting error, Republican lawmakers in the Maine House of Representatives have been using the situation to attempt to rewrite Maine's Clean Elections law, because they don't like it. Last Monday, two different proposals were presented to fix the error so the public campaign financing system could function again. Both proposals, one from Democrats and one from Republicans, would have dramatically cut funding for the Clean Election program and would have capped the amount candidates are eligible to receive. Both were rejected.

*Related Story: Candidates Say LePage's Hold-Up Funds Defies Common Sense.

*Related Story: Arguments Made In Lawsuit Over Clean Elections Funding.

KEY OPINION

Does Brett Kavanaugh Spell the End of Voting Rights?

The New York Times (Op-Ed by Ari Berman)

In late 2011, the Obama administration blocked a South Carolina law that required voters to show a photo ID before casting their ballots, finding that it could disenfranchise tens of thousands of minority voters, who were more likely than whites to lack such IDs. But when South Carolina asked a federal court in Washington to approve the law, Brett Kavanaugh wrote the opinion upholding it. He ruled that the measure was not discriminatory, even though the Obama administration claimed that it violated the Voting Rights Act. Judge Kavanaugh, whom President Trump nominated for the Supreme Court recently, pointed to a 2008 Supreme Court

decision upholding Indiana's voter ID law, which he interpreted as giving states broad leeway to restrict their voting procedures. "Many states, particularly in the wake of the voting system problems exposed during the 2000 elections, have enacted stronger voter ID laws, among various other recent changes to voting laws," he noted in approval.

Why Are Drug Prices So High? Blame Big Money in Politics

Delaware Online (Opinion)

The pharmaceutical industry contributes generously to Republican and Democratic candidates, but in 2016, President Trump's Republican party received 60 percent of the campaign contributions from Big Pharma. After an election, it's pay-back time. Big Pharma sends their lobbyists to Capitol Hill to lobby for watered-down regulations and against efforts to control drug prices. In 2017, drug companies and their trade associations spent \$171.5 million on lobbying according to the Center for Responsive Politics — more than any other industry — and deployed 882 lobbyists. Where do we, the American citizens, fit in this cozy relationship between Big Pharma, Congress and the President? We don't. Big Pharma is just one of the sources of big money that fund political campaigns and lobbyists. Others include Wall Street, oil and gas industries, health insurance, the NRA, military contractors, unions, and billionaires, to name just a few. Legislators now spend half their time fundraising the enormous sums of money needed for campaigns. When our legislators rely on big money to fund their campaigns, their votes reflect the interests of their funders over their constituents' and the common good.

It's Not Just Putin. Trump Protects All Dark Money Meddlers

NJ News (Editorial)

So far this week, President Trump has denied any election hacking by Russia; sided with Vladimir Putin, a former top KGB spy, in trashing U.S. intelligence agencies; and suggested Russia is no longer targeting us, in direct contradiction of America's spy chief and basic common sense. Even when Trump tried to backpedal, he continued to cast suspicion elsewhere, adding, "Could be other people also, there's a lot of people out there;" like that obese guy from New Jersey. But our president is not just protecting Putin. He's shielding all shadowy political meddlers, and making it easier for them to interfere in our elections. The very same day a Russian woman, Maria Butina, was indicted for infiltrating the National Rifle Association, the Trump administration announced that groups like the NRA no longer have to report who their big donors are. This means a Russian agent could funnel millions of dollars into their coffers, and no longer raise a red flag at the IRS, in an organization's tax filings. Foreigners are not allowed to contribute directly or indirectly to campaigns, yet under Trump's reform, Russia could pay for attack ads against a candidate by hiding behind a nonprofit with a patriotic-sounding name, and more easily get away with it.

NEW POLLING

Corruption Message Gaining Traction Against GOP

POLITICO

The Trump administration's scandals threaten to take a toll on Republicans in battleground districts this fall, according to new polling suggesting "culture of corruption" messaging is gaining traction. Fifty-four percent of voters across 48 Republican-held congressional districts said Republicans are "more corrupt" than Democrats, compared with 46 percent who said Democrats are "more corrupt." According to the online survey of 1,200 registered voters, conducted for the progressive Center for American Progress Action Fund from July 2-5, an even higher number of independents hold Republicans responsible for corruption: 60 percent.

Only Half of Americans Believe Elections Are Fair and Open

UVA Today

As America turns its attention to the upcoming midterm elections, a new national poll from the University of Virginia's Center for Politics shows that only about half of American adults surveyed believe U.S. elections are fair and open. The poll, which was conducted in partnership with research organization Ipsos, also comes on the heels of the indictments of 12 Russian intelligence officers – issued Friday by special counsel Robert Mueller's team – for alleged interference in the 2016 presidential election. In the Ipsos poll, which surveyed more than 1,000 American adults on July 5 and 6, 51 percent of the respondents agreed with the statement that "American elections are fair and open." Agreement was higher among Republican respondents – 68 percent agreed – than Democrats (43 percent). Couched opinions - those who just "somewhat" agreed or disagreed with the statement - were more common than strong opinions from both parties and from independents.



