

State &  
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COMMUNICATIONS

COMPLIANCE NOW



E-News from State and Federal Communications, Inc.

January 2009

## The Guy Has Style

In the last Harry Potter movie, there is a scene when Professor Dumbledore claps his hands over his head and disappears. One of the other characters then says, "You have to admit, the guy has style."

Whatever your thoughts are of the new administration in DC, you have to admit President Obama has style. I dragged my Republican husband to DC to witness the Inauguration of the 44th President of the United States. You have heard and read all of the stories from everyone else about the experience. I am including our photos of our



time in DC; which included seeing Vice President Biden's mother and Billy Baldwin at Andre Chreky's for manicure and pedicure, respectively. On Inauguration Day, Newt Gingrich was picking up his wife at Andre Chreky's. *(I did more than just go to Andre Chreky's but for those who have know me, this is a regular stop.)*

We were happy to join the group from Ohio at the Celebration Gala where we heard The Ohio State University Marching Band; also known as TBDBITL—The Best Damn Band In The Land! It was great seeing Lieutenant Governor Lee Fisher, Attorney General Richard Cordray, Congresswoman Betty Sutton, State Representative Vernon Sykes, and Akron Mayor Don Plusquellic.

On Tuesday, we were guests of our friends at The Home Depot to watch the events from their fabulous offices across the street from The Capitol. Special thanks to Kent Knutson and Steve Arthur who offered a great view and great company for the historical event.

Only in America, can almost two million people descend in one small city to witness history. This was not the first time it happened and I know it will not be the last. Until next month, stock up on the memorabilia to share with the future generations.

Elizabeth Z. Bartz  
President and CEO

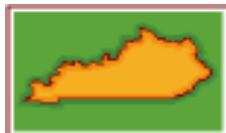


## Ethics Update: How the Landscape is Changing in Massachusetts and Kentucky

by: James G. Warner, Esq., Research Associate

The laws and regulations in the states are constantly changing and evolving. We are seeing increased efforts to update and expand ethics measures in Massachusetts and Kentucky.

Noting several recent instances of misconduct, Massachusetts Governor Deval Patrick has proposed legislation recommended by his task force, which would strengthen the requirements for lobbyists. The definition of lobbying would now include strategizing, preparing, and planning related to a communication with a public official for the purpose of influencing legislative or executive policy. Revolving door provisions, which provide a waiting period before engaging in lobbying after leaving office, would be expanded to include members of the executive branch. The



amount of incidental lobbying, currently 50 hours in a six month reporting period, would be 10 hours in a three-month reporting period. The reporting period would change from bi-annually to quarterly reports. The legislation would also impose tougher penalties for violations of the state's ethics laws. The criminal penalties associated with a violation of registration-related lobbying rules would increase to \$10,000 and five years in prison. Currently, these offenses are misdemeanors, with a fine ranging from \$100 to \$5,000 and no imprisonment. The Secretary of the Commonwealth would also have the authority to suspend or permanently revoke a lobbyist's license. Violations of the gifts and gratuities statutes would increase from a \$3,000 fine and two years imprisonment to a \$10,000 fine and five years in prison. Violations of the state's revolving door provisions would have the same penal-

ties assessed. The civil penalties associated with gift and revolving door violations would increase from \$2,000 to \$10,000 per violation.

Governor Steve Beshear of Kentucky has followed suit, expanding ethics measures for the executive branch. The Governor directed his Office of General Counsel to conduct a yearly review of all financial disclosure forms from the



governor's senior staff, cabinet secretaries, and the heads of executive agencies for any potential conflicts of interest.

Currently, disclosure forms are filed with the executive branch ethics commission and not reviewed by the general counsel. Additionally, as disclosure forms are filed each year, the governor's senior staff, cabinet secretaries, and the heads of executive agencies will list not only their outside business interests, but also will identify individuals who have any ownership in those interests. Currently, by law, disclosure forms only require a list of outside business interests.

## Summary of Changes

1. Theresa Kirk has been named the new director of the West Virginia State Ethics Commission, replacing Lewis Brewer. Ms. Kirk will begin serving in her new position on February 1, 2009.
2. Illinois introduced emergency regulations governing the implementation of the new vendor registration requirements to address the inability of the Board of Elections to have an electronic registration system available in time for the January 31st registration date. The Illinois legislature passed a bill, currently awaiting the governor's signature, which would remove federal highway and bridge projects from the registration requirements.
3. New or improved electronic filing or registration systems were introduced in several jurisdictions, including Iowa Executive, Arkansas, South Carolina, Alabama, and New York City.
4. U.S. District Court Judge Stefan R. Underhill dismissed a challenge to Connecticut's ban on contributions from lobbyists and state contractors. The judge held that the law was a rational reaction to corruption scandals involving high-ranking state politicians.
5. The New Jersey State Supreme Court upheld the state's pay-to-play law as constitutional in a unanimous decision. The law had been challenged by an asphalt contractor who was disqualified from a bid on a road construction project due to his political contributions.



## COGEL Conference in the Windy City

By Joe May, Researcher

Six of us from State and Federal Communications attended the Council on Governmental Ethics Laws (COGEL) Conference 2008. For those going to the four day conference, there was no choice but to fully embrace winter, since winter fully embraced us! The conference was in Chicago from December 7-10. Though it was cold, it was very enjoyable because it was held at the beautiful Westin River North Hotel in downtown Chicago.

When we arrived on Saturday, we had time for sightseeing. Elizabeth Bartz, John Cozine, and Jim Warner had their own plans, so the rest of us – Nola Werren, Jim Sedor, and I, decided to find our adventure at the top of the

Sears Tower with its amazing view of the city. [see photo on right] This was followed by unbridled Christmas shopping at the American Girl store. Nola shopped for her two daughters, I shopped for my niece, and Jim, well Jim was our unwilling hostage.

The conference was attended by governmental ethics administrators from all over the country. Among the many topics to choose from were ethics, elections, lobbying, campaign finance, managing electronic records, financial disclosure, and Freedom of Information legislation. One could not attend every

session, so our group's motto was: Divide and conquer!

One of the highlights of the conference was the first plenary session with Professor Paula Franzese. She spoke of the need to be impeccable with our words. She spoke of integrity as meaning the outside of us matching the inside, and warned everyone about what happens when people put their own interests above the greater good of all. I did chin-ups on her every word.

COGEL 2008 honored Kevin Kennedy for the Distinguished Service Award, Lois Lerner for the 2008 COGEL Award, and Fred Herrmann as Honorary Membership Recipient. But Jim Sedor related a highlight of another sort. Jim was visiting at breakfast with Chad Fornoff, the



executive director of the Illinois Executive Ethics Commission, when suddenly Fornoff stood up and said, "I have to leave! Our governor has been taken away in handcuffs!"

To be at an Ethics Conference in Chicago when the governor was arrested for alleged ethics violations - where else could this happen? Only in Chicago.

## Employee Highlight - Nola Werren, Esq., Specialist

State and Federal Communications is announcing the promotion of Nola Werren to Specialist. In this new role, Nola will be available to assist our consulting clients with training, projects, and other issues.

Nola joined the company in 1997 and has been involved in practically every aspect of the company's research and compliance departments. According to President and CEO Elizabeth Bartz, "This new position takes her out of the role of completing compliance reports on a regular basis and helps me look at how we can provide more services to our clients. The new economy is affecting everyone's budget; however, compliance requirements in the states are not decreasing. Our role has to be one where we still provide services to help companies with compliance."



## Compliance in Canada

Canadian Compliance for US Companies™ focuses on Canadian legislation, both at the federal level and in the 10 provinces and three territories. This service is intended for U.S.- based businesses, organizations, and associations and not for Canadian-based companies. There is a need to understand and deal with changing Canadian regulations, so we have taken the lead here to present this new service to you. State and Federal Communications, Inc. encourages you to take advantage of the free trial! Simply log-in to your account and sign up for one free month of service!



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## Landmark Series – Presidential Libraries

This article is one of an ongoing series that focuses on historical and/or significant landmarks. The information was gleaned from [www.whitehouse.gov](http://www.whitehouse.gov), [www.wikipedia.com](http://www.wikipedia.com), <http://hoover.archives.gov>, and other sources.

There are currently 12 libraries in the United States dedicated to the work of a past U.S. President. They are Herbert Hoover, Franklin D. Roosevelt, Harry S. Truman, Dwight D. Eisenhower, John F. Kennedy, Lyndon B. Johnson, Richard M. Nixon, Gerald R. Ford, Jimmy Carter, Ronald Reagan, George H.W. Bush, and William J. Clinton. During 2009, we will be sharing a little bit about each of these Libraries. They are each a tribute to one of 44 men who have taken on the role of President of the United States.

### Herbert Clark Hoover [1874-1964]

The Herbert Hoover Presidential Library and Museum is located in West Branch, Iowa. It contains Mr. Hoover's birthplace cottage, his father's blacksmith shop, a Quaker Meeting house, and the gravesite of Mr. and Mrs. Hoover.

The Hoover Library & Museum allows visitors to experience for themselves the many sides of Iowa's only president including:

Permanent galleries about Hoover's boyhood in Iowa thru his life at the Waldorf Towers in New York where he spent the final years of his life.

In the Hoover Library you can learn about President Hoover's life and career. The library was created by using manuscripts, photographs and oral histories.

Hoover, our 31st President [1929-1933], was an engineer, administrator, and humanitarian. He attended Stanford University graduating as a mining engineer. He married his Stanford sweetheart, Lou Henry.

Before becoming President, Hoover was tasked by the American Consul General to help feed Belgium, which had been overrun by the German Army during WWI. After the United States entered the war, President Wilson appointed Hoover head of the Food Administration. He succeeded in assisting those needing food overseas, avoiding



rationing at home, and keeping the Allies fed.

Hoover spent years attempting to overcome poverty and starvation in the US and in the world. His popularity gained him the Republican

nomination in 1928. American prosperity seemed inevitable. Within months the stock market crashed and the US entered into a depression.

He tried to keep the budget balanced and to keep people from suffering from hunger and cold. Congressional opponents of Hoover were accused of sabotaging his program for their political gain. They unfairly painted him as a cruel and callous President. He became the scapegoat for the depression and because of this was defeated for reelection in 1932.

President Herbert Hoover died on October 20, 1964 in New York City at the age of 90. He had given his whole life to community service indifferent of politics.

31<sup>ST</sup> PRESIDENT OF THE UNITED STATES  
VICE PRESIDENT – CHARLES CURTIS  
PRECEDED BY CALVIN COOLIDGE  
SUCCEEDED BY FRANKLIN D. ROOSEVELT

### See Us in Person

Plan to say hello at future professional development events where State and Federal Communications will be attending and/or speaking regarding compliance issues.

January 29 - 31	NCSL Winter Executive Committee Meeting, Tucson, AZ
February 4 – 7	National PAC Grassroots Conference, St. Petersburg, FL
February 9 – 11	Innovate to Motivate, New Orleans, LA
February 19	WASRG Meeting, Washington, DC
February 19 – 21	CSG Leaders Meeting, Washington, DC
February 22 – 25	National PAC Conference, Orlando, FL
March 5	The Ohio Birthday Party, Washington, DC
March 11 – 13	SGAC Annual Meeting, San Francisco, CA

**State and Federal Communications' Scrapbook  
from Inauguration 2009 in Washington, DC**



Jean Biden [VP Joe Biden's Mom] with Elizabeth



John Chames with Newt Gingrich



Lieutenant Governor Lee Fisher with Elizabeth



Akron Mayor Don Plusquellic with Elizabeth



Congresswoman Betty Sutton with Elizabeth and her husband, John Chames



Kent Knutson of The Home Depot and Elizabeth



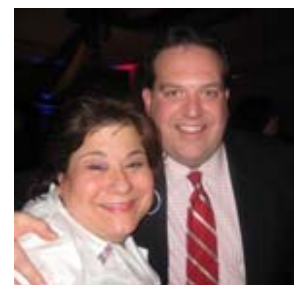
Francisco Uribe and Elizabeth



Attorney General Richard Cordray and Elizabeth



State Representative Vernon Sykes and Elizabeth



Elizabeth and Nathan Wymer from Nationwide Insurance



Beth Loudy, Elizabeth, Kevin Casey, Connie Campanella, and Steve Arthur