

Lobbyist Spending:

Nebraska's Other Pandemic Thrives During COVID-19



EXECUTIVE SUMMARY

In 2000, gross earnings for the Nebraska lobby were recorded as \$3,002,853. Since then, we have seen increases each year reaching an all-time high in 2019 of \$19,405,061. The 2020 COVID-19 pandemic, however, brought the steady growth in total earnings to a halt.

Gross earnings in 2020 dropped nearly a million dollars from \$19,405,061 to \$18,589,372, but the loss in revenue to the individual lobbying firms was not as dramatic as one might think. In fact, lobbyist compensation increased for more than half of our top-10 firms. It appears that the limits on entertainment and tickets to events reduced lobby expenses, making more funds available for lobbyist compensation.

Issues at the capitol caused major educational entities to invest more heavily in lobbying. Eight of 15 school districts that employ their own lobbyists increased their spending. Most school districts without their own lobbyists had to hope their interests were protected.

Although the University of Nebraska slightly increased its overall spending, it reduced spending on entertainment, gifts, and tickets by more than \$33,000. The virus dramatically cut into athletic ticket distribution.

The accountability and disclosure records indicate lobbyist entertainment expenses for our legislators as \$74,576, but none of that money showed up on our senator's gift report. Since food and beverages are exempt from reporting, we have to conclude that everyone is dining well at the capitol despite COVID-19.

Common Cause Nebraska continues to be concerned about the influence of campaign contributions from lobbyists, political action committees (PACs), and principals (entities that hire lobbyists). Too often, we think of lobbying as just wining, dining, and golf. Campaign contributions from special interests are likely to carry more influence than a steak dinner or a round of golf.

Nebraska's Active Lobbyists

The following chart shows the number of registered lobbyists and principals tabulated by the Clerk of the Legislature's Office from 2016 through 2020. The term "principal" identifies all entities that provide lobbyists.

Active Lobbyists

Registration	2016	2017	2018	2019	2020
Compensated Lobbyists	364	377	378	405	367
Volunteer Lobbyists	33	41	36	40	32
Principals	543	550	553	585	559
Volunteer Organizations	33	36	28	27	24

*Red indicates the record amount.

Principal's Expenses

The principals, those entities that employ lobbyists, often spend dollars on entertainment and gifts beyond what their lobbyists spend. As a result, the principal's reports show a more accurate picture of the total lobbying expense. The following chart shows itemized lobbying expenses from 2016 through 2020 based on the Principal's Reports to the Accountability and Disclosure Commission (NADC).

Top Principal Spenders

Expense	2016	2017	2018	2019	2020	Five-Year Total
Lobbyist Compensation	\$15,743,320	\$16,188,266	\$16,056,059	\$17,890,614	\$17,429,734	\$83,307,993
Lobbyist Reimbursement	\$282,023	\$334,074	\$354,243	\$575,688	\$625,012	\$2,171,040
Entertainment	\$446,750	\$467,030	\$364,085	\$424,656	\$290,087	\$1,992,608
Miscellaneous	\$137,824	\$214,512	\$153,310	\$325,388	\$149,092	\$980,126
Office Supplies	\$47,338	\$74,844	\$54,077	\$20,196	\$52,559	\$249,014
Gifts & Tickets	\$25,558	\$26,332	\$24,535	\$31,464	\$10,610	\$118,499
Travel	\$46,012	\$41,503	\$28,873	\$51,225	\$25,326	\$192,939
Lodging	\$25,856	\$7,515	\$8,477	\$37,782	\$6,947	\$86,577
Total Expense	\$16,754,681	\$17,354,076	\$17,043,659	\$19,357,013	\$18,589,367	\$89,098,796

*Red indicates the record amount.

Entertainment Expenses

Out of the 42 legislators who have filed their C-1s (Statements of Financial Interest) as of March 22, 2021, only eight reported gifts over \$100. Senator Mike Hilgers reported the largest gift: a trip to the RSLC conference in Washington, D.C., valued at more than \$1,000. The seven other senators reported gifts in a potential range of \$100 to \$500. If Senator Hilgers' trip is excluded, then the maximum gift amount received would not exceed \$4,000.

If the lobbyists and principals are reporting a total of \$81,783 spent on entertainment, gifts, and tickets for "legislators," where did all the money go? It had to be spent on small gifts under \$100 or food and beverages that do not require reporting. Even in a COVID year, the senators must be eating well.

Spending on Entertainment, Gifts, and Tickets in 2020

Spending	Total Contributions in Calendar Year
Entertainment for legislators	\$74,576
Entertainment for the executive branch	\$2,067
Entertainment for others*	\$213,444
Gifts to Legislators	\$3,757
Gifts to executive branch	\$74
Gifts to others*	\$2,546
Tickets to Legislators	\$3,450
Tickets to executive branch	\$0
Tickets to others*	\$783

*We don't know who the "others" are but they could be staff, department heads, principals, or other lobbyists.

Who Spends the Most Lobbying?

In the following chart, we have identified 10 of the top spenders or principals over the last five years. Altria Client Services (Phillip Morris) spent the most in 2020 and captured the five-year total for the third time.

Highest Spending Principals 2020

Principal	2016	2017	2018	2019	2020	Five-Year Total
Altria Client Services	\$207,338	\$160,040	\$181,818	\$267,287	\$218,685	\$1,035,168
NE Chamber of Commerce	\$218,338	\$242,198	\$144,757	\$96,979	\$103,566	\$805,838
League of Municipalities	\$173,563	\$184,832	\$128,556	\$160,761	\$109,434	\$757,146
University of Nebraska	\$150,142	\$141,902	\$131,299	\$143,058	\$143,689	\$710,090
NE Council of School Admin.	\$108,381	\$130,891	\$166,053	\$166,243	\$131,122	\$702,690
NE Banker's Assoc.	\$106,459	\$147,330	\$117,491	\$132,582	\$98,359	\$602,221
NE County Officials	\$91,658	\$79,679	\$114,927	\$164,728	\$128,152	\$579,144
City of Lincoln.	\$110,558	\$107,804	\$104,101	\$117,601	\$90,200	\$530,264
NE State Education Assoc.	\$93,879	\$112,656	\$97,062	\$107,302	\$97,434	\$508,333
Blue Cross Blue Shield	\$91,520	\$88,236	\$118,587	\$111,316	\$94,070	\$503,729

*Red indicates the record amount.

Who Makes the Most?

Keep in mind, our 49 senators are paid \$12,000 each year.

Top-10 Lobbying Firms

Firm	2016	2017	2018	2019	2020	5 Yr. Total
Mueller/Robak	\$1,517,837	\$1,466,039	\$1,453,718	\$1,429,828	\$1,353,593	\$7,221,015
Radcliffe/Assoc	\$1,257,776	\$1,164,984	\$1,187,424	\$1,410,738	\$1,341,262	\$6,362,184
O'Hara/Lindsay	\$1,053,596	\$917,730	\$860,592	\$974,070	\$1,033,553	\$4,839,541
Peetz/Co.	\$695,948	\$688,067	\$799,324	\$806,650	\$836,600	\$3,826,589
Am. Comms.	\$596,430	\$628,423	\$648,699	\$640,116	\$641,350	\$3,155,018
Nowka/Edwards	\$626,309	\$644,703	\$552,035	\$576,385	\$556,316	\$2,955,748
Kissel/E+S	\$483,668	\$645,138	\$574,884	\$548,310	\$551,723	\$2,803,723
Bromm/Assoc	\$232,656	\$636,057	\$677,448	\$623,121	\$616,496	\$2,785,778
Zulkoski Weber	\$395,234	\$373,162	\$465,396	\$681,828	\$736,586	\$2,652,206
Husch Blackwell	\$551,452	\$537,127	\$97,846	\$458,597	\$538,700	\$2,183,722

*Red indicates the record amount.

Public Education Lobbying

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

The lobby is one tool school districts can use to manipulate the formula 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.

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

Public School Lobbying Expenditures

School	2016	2017	2018	2019	2020	5 Yr. Total
Adams Central	\$5,200	\$5,200	\$5,200	\$5,200	\$5,200	\$26,000
Bellevue	\$54,200	\$54,200	\$54,200	\$54,200	\$54,200	\$271,000
Bennington	\$9,200	\$4,700	\$5,200	\$5,200	\$5,200	\$29,500
DC West	\$20,232	\$12,500	\$25,000	\$25,992	\$52,400	\$136,124
Elkhorn	\$25,200	\$21,200	\$28,200	\$28,200	\$28,200	\$131,000
Grand Island NW	\$5,200	\$5,400	\$5,000	\$5,200	\$5,200	\$26,000
Grand Island	\$30,750	\$31,519	\$32,307	\$33,276	\$34,274	\$162,126
Lakeview	\$5,200	\$5,200	\$0	\$0	\$0	\$10,400
Lincoln	\$41,655	\$38,281	\$33,756	\$21,600	\$43,400	\$178,692
Millard	\$62,206	\$67,368	\$67,032	\$67,109	\$64,246	\$327,961
Omaha	\$78,338	\$72,394	\$72,717	\$72,346	\$83,357	\$379,152
Papillion	\$36,200	\$35,700	\$36,150	\$39,000	\$39,400	\$186,450
Ralston	\$41,328	\$38,474	\$39,509	\$40,000	\$42,020	\$201,331
Springfield Platt	\$20,232	\$27,700	\$27,500	\$14,263	\$42,950	\$132,645
Westside	\$0	\$20,002	\$14,158	\$5,950	\$8,826	\$48,936
Learning Com.	\$26,964	\$26,933	\$27,783	\$28,283	\$28,700	\$138,663

*Red indicates the record amount.

School lobbying expenditures increased during the 2020 COVID-19 year. DC West, Lincoln, Omaha, and Spring Platteview Districts showed the largest increases over the previous year.

University Lobbying

The University of Nebraska, although not affected by the funding formula, is also competing for education tax dollars. In 2020, the university had former senator Heath Mello as its lobbyist and the lobbying firm of Peetz and Company to back him up. The COVID-19 pandemic had a dramatic effect on the university's entertainment, gifts, and tickets in 2020.

UNL Lobbying Expenses

	2019	2020
Entertainment	\$44,220	\$30,589
Gifts	\$2,391	\$1,804
Tickets	\$19,994	\$1,416
Total	\$66,605	\$33,809

Tracking the Money

It would appear that the lobby and the legislature got together to come up with a way to make it difficult for anyone to trace the entertainment money from the lobbyist to the elected official. Lobbyists are restricted to gifts of \$50 per month per legislator. Legislators are only required to report gifts over \$100. Food and beverages are excluded from reporting, except that they are included in the total entertainment figures for both the lobbyist and the principal.

Even in a COVID-19 year when only \$424,656 was spent on entertaining government officials, the public will never know who got the steak dinner or the afternoon on the golf course. It is like it never happened, and, of course, most legislators would say it has no effect or influence on legislation.

Common Cause Nebraska has a history of trying to get better disclosure of who gives and who gets, but the bills never get out of the Government Committee.

The University Again

The University of Nebraska is required by statute to disclose to whom tickets are given. This is important because the university is the only principal required to itemize and value gift tickets.

Because COVID-19 forced the reduction of spectators at the university athletic events, only a handful of brave government officials attended. Nevertheless, our reporting must go on.

The following chart was compiled from the 2020 University of Nebraska's Principal's Report and the senators' Statements of Financial Interest. The chart shows who accepted free tickets, the value placed on those tickets, and if the value was reported to the Accountability and Disclosure Commission by the senators. Keep in mind that state officials are only required to report gifts of \$100 or more.

University Entertainment Gifts to Legislators, 2020

Senator	Gift	Value
Senator Matt Hansen	Two (2) Tickets to UNL MBB v. Michigan	\$46
Senator Adam Morfeld	Two (2) Tickets to UNL MBB v. Michigan	\$46
Senator Tom Brandt	Two (2) Tickets to UNL MBB v. Michigan	\$46
Senator John McCollister	Two (2) Tickets to UNO Hockey	\$60
Senator Wendy DeBoer	(1) Ticket to UNO Hockey	\$30
Senator Sue Crawford	Two (2) Tickets to UNO Hockey	\$60
Senator Mike McDonnell	(3) Tickets to UNO Hockey	\$90
Senator Megan Hunt	(1) Ticket to UNO Hockey	\$30
Senator Andrew La Grone	One (1) Ticket to UNO Hockey	\$30
Senator Rick Kolowski	Two (2) Tickets to UNO Hockey	\$60
Senator Sara Howard	Two (2) Tickets to UNO Hockey	\$60
Senator Brett Lindstrom‡	Five (5) Tickets to UNO Hockey	\$150

*Red indicates the record amount.

‡The senator did not report that gift to the NADC as required by law.

And Now for Some Real Money: Political Action Committees (PACs)

PACs are organizations established by corporations, labor unions, and other special interests to raise money from individuals for political campaigns or political causes. For many elected officials and candidates for public office, PACs are the largest source of campaign funds.

In Nebraska, there are currently 112 PACs registered as of March 25, 2020. During the 2020 election cycle, PACs, thus far, have recorded \$4,243,615 in receipts and \$3,824,196 in expenditures in Nebraska.

Organizations that establish PACs may also be principals with lobbyists who can direct contributions to candidates favorable to the principal's interest. The following is NADC's list of donors who contributed over \$250 just to the Friends of the University PAC.

Contributions to the Friends of the University PAC

Contributor	Total Contributions in Calendar Year
Cassling	\$25,000
Howard Hawks	\$15,000
Henning Brothers LLC	\$1,000
John Kotouc	\$5,000
James Pillen	\$25,000
Walter Scott, Jr.	\$25,000
David D. Slosburg	\$10,000
Streak, Inc.	\$5,000
Barbara Weitz	\$25,000

PAC Distributions

The next NADC chart shows how the Friends of the University PAC distributed its campaign funds to candidates for public office during the 2020 election cycle. All contributions were direct campaign contributions and made in support of the candidate. The total amount contributed is \$84,750.

Friends of the University PAC Contributions

Recipient	Candidate	Total Expenditures
Anna Wishart for Legislature	Anna Wishart	\$5,000
Ben Hansen for Legislature	Ben Hansen	\$250
Brandt for Legislature	Tom Brandt	\$1,000
Cavanaugh for Nebraska	John Cavanaugh	\$2,500
Citizens to Elect John Arch	John Arch	\$1,000
Dan Quick for Legislature	Dan Quick	\$2,500
Dave Murman for Legislature	Dave Murman	\$250
Dorn for Legislature	Myron Dorn	\$5,000
Eliot Bostar for Legislature	Eliot Bostar	\$2,500
Fred Conley for Legislature	Fred Conley	\$500
Friends for Adam Morfeld	Adam Morfeld	\$500
Friends of Carol Blood	Carol Blood	\$2,500
Friends of Jacob Campbell	Jacob Campbell	\$500
Friends of Lindstrom	Brett Lindstrom	\$500
Friends of Mike Hilgers-Legislature	Mike Hilgers	\$2,500
Friends of Mike McDonnell	Mike McDonnell	\$5,000
Friends of Rich Pahls	Rich Pahls	\$2,500
Hansen for Legislature 2018	Matt Hansen	\$500
Helen Raikes for Legislature	Helen Raikes	\$1,000
Hilkemann for Legislature	Robert Hilkemann	\$500
Jen Day for Legislature	Jen Day	\$2,500
Joni Albrecht for Legislature	Joni Albrecht	\$250
Julie Slama for Legislature	Julie Slama	\$1,000
Kolterman for Legislature	Mark Kolterman	\$500
La Grone for Legislature	Andrew La Grone	\$2,500
Lathrop for Legislature 2018	Steve Lathrop	\$1,000
Linehan for Legislature	Lou Ann Linehan	\$2,500
Lynne Walz for Legislature	Lynne Walz	\$2,500
Machaela Cavanaugh for Legislature	Machaela Cavanaugh	\$1,000
Matt Williams for Legislature, Inc.	Matt Williams	\$2,500

Friends of the University PAC Contributions (continued)

Recipient	Candidate	Total Expenditures
McCollister for Legislature	John McCollister	\$500
Mike Flood for Nebraska	Mike Flood	\$5,000
Mike Moser for Legislature (2018)	Mike Moser	\$250
Neighbors for Megan Hunt	Megan Hunt	\$1,000
Palmtag for Nebraska	Janet Palmtag	\$1,000
Pansing Brooks For Legislature	Pansing Brooks	\$500
People for Terrell McKinney	Terrell McKinney	\$2,500
Ray Aguilar for Legislature	Ray Aguilar	\$2,500
Rob Clements for Legislature	Rob Clements	\$250
Royers for Nebraska	Tim Royers	\$500
Sanders for Legislature	Rita Sanders	\$2,500
Snow for Nebraska	Marque Snow	\$500
Stinner for Legislature	John Stinner	\$5,000
Susan Hester for Legislature	Susan Hester	\$500
Suzanne Geist for Legislature	Suzanne Geist	\$2,500
Timothy Gragert for Legislature District #40	Timothy Gragert	\$500
Tom Brewer for Nebraska	Tom Brewer	\$500
Vargas for Nebraska	Tony Vargas	\$5,000
Wendy Deboer for Legislature	Wendy Deboer	\$1,000
Total		\$84,750

Client Campaign Contributions

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

Altria Client Services (Phillip Morris) spent \$1,035,168 on lobbying over a five-year period. In addition, from March of 2018 to September of 2020, Altria Client Services contributed \$91,500 to state political campaigns. The lobbyists under contract were Garth Alston, Jensen/Rogert and Associates, and Radcliffe and Associates. Most of the lobbying money goes to the lobbyist. The campaign dollars have a more direct effect on the elected officials.

2019 Altria Client Services Political Contributions

Date	Contribution	Recipient
3/8/2019	\$2,500	NE Republican Party
3/21/2019	\$1,000	Pete Ricketts for Gov.
4/9/2019	\$500	Julie Slama for Leg.
5/16/2019	\$500	La Grone for Leg
7/9/2019	\$2,500	NE Republican Party
7/9/2019	\$1,000	Pete Ricketts for Gov.
7/11/2019	\$1,000	Friends of Mike Hilgers-Leg
7/11/2019	\$500	Joni Albrecht for Leg
8/29/2019	\$500	Scheer for Leg.
9/7/2019	\$1,000	John Lowe for Leg.
9/19/2019	\$500	Friends of Lindstrom
9/19/2019	\$1,000	La Grone for Leg.
9/24/2019	\$2,000	Suzanne Geist for Leg.
9/26/2019	\$500	Ben Hansen for Leg.
9/26/2019	\$500	Julie Slama for Leg.
9/26/2019	\$5,000	Pete Ricketts for Gov.
10/1/2019	\$500	Anna Wishart for Leg.
10/7/2019	\$500	Friends of Mike Hilgers-Leg.
10/9/2019	\$500	Joni Albrecht for Leg.
10/9/2019	\$500	Linehan for Leg.
10/9/2019	\$500	Rob Clement for Leg.
10/18/2019	\$500	Tom Brewer for Nebraska
10/24/2019	\$1,000	Mike Flood for Nebraska
10/28/2019	\$5,000	NE Republican Party
10/28/2019	\$5,000	NE Republican Party
12/19/2019	\$500	Friends of Mike McDonnel
Total	\$35,000	

2020 Altria Client Services Political Contributions

Date	Contribution	Recipient
7/21/2020	\$1,000	Joni Albrecht for Leg.
7/23/2020	\$1,000	Bostelman for Leg.
7/28/2020	\$1,000	Suzanne Geist for Leg.
7/30/2020	\$1,000	Friends of Jacob Campbell
7/30/2020	\$2,000	La Grone for Leg
7/30/2020	\$500	Wayne for Nebraska
8/3/2020	5,00	Anna Wishart for Leg
8/4/2020	\$5,000	NE Republican Party
8/5/2020	\$1,000	Friends of Mike Hilgers-Leg
8/11/2020	\$1,000	Julie Slama for Leg.
8/12/2020	\$500	Friends of Mike McDonnel
8/20/2020	\$500	Friends of Lindstrom
8/24/2020	\$1,000	Linehan for Leg.
8/31/2020	\$500	Mike Flood for Nebraska
8/31/2020	\$500	Sanders for leg.
9/22/2020	\$2,500	Pete Ricketts for Gov.
9/30/2020	\$1,000	Friends of Mike Hilgers-Leg
8/20/2020	\$500	Friends of Lindstrom
8/24/2020	\$1,000	Linehan for Leg.
8/31/2020	\$500	Mike Flood for Nebraska
8/31/2020	\$500	Sanders for leg.
9/22/2020	\$2,500	Pete Ricketts for Gov.
9/30/2020	\$1,000	Friends of Mike Hilgers-Leg
Total	\$26,000	

Total Altria Contributions

2018 Total	\$36,000
2019 Total	\$35,000
2020 Total	\$26,000
3-yr. Total	\$97,000

Lobbyist Campaign Contributions

Peetz and Company is an example of a lobbying firm that makes direct campaign contributions. Peetz and Company contributed \$11,000 to candidates in 2018. The following NADC records show how much Peetz and Company contributed to candidates from March 20, 2019, to December 1, 2020.

2019 Peetz & Co. Political Contributions

Date	Contribution	Recipient
3/20/2019	\$500	Lathrop for Leg.
4/1/2019	\$1,000	NE Democratic Party
04/02/19	\$500	Anna Wishart
4/10/2019	\$500	Julie Slama for Leg.
4/15/2019	\$500	Vargas for Leg.
4/24/2019	\$500	La Grone for Leg.
5/9/2019	\$1,000	Pete Ricketts for Gov.
5/15/2019	\$500	Joni Albrecht for Leg.
7/3/2019	\$500	Nebraskans for Murante
8/29/2019	\$500	La Grone for Leg.
9/17/2019	\$1,000	Linehan for Leg.
9/18/2019	\$500	Friends of Lindstrom
9/23/2019	\$500	Suzanne Geist for Leg
9/25/2019	\$1,000	Mike Flood for Nebraska
10/1/2019	\$500	Anna Wishart for Leg.
10/29/2019	\$500	Friends of Mike Hilgers -Leg.
11/12/2019	\$500	Lathrop for Leg.
11/12/2019	\$500	Lynne Walz for Leg.
Total	\$11,000	

2020 Peetz & Co. Political Contributions

Date	Contribution	Recipient
2/24/2020	\$1,000	NE Democratic Party
3/2/2020	\$500	La Grone for Leg.
3/2/2020	\$500	Pete Ricketts for Gov.
5/19/2020	\$500	Anna Wishart for Leg.
5/19/2020	\$500	Dan Quick for Leg.
6/11/2020	\$500	Friends of Mike Hilgers -Leg.
5/19/2020	\$500	Friends of Mike McDonnell
5/19/2020	\$500	Julie Slama for Leg.
5/19/2020	\$500	La Grone for Leg.
5/19/2020	\$1,000	Linehan for Leg.
5/19/2020	\$500	Suzanne Geist for Leg.
5/19/2020	\$500	Tom Brewer for Nebraska
5/19/2020	\$500	Vargas for Leg.
9/10/2020	\$1,000	Mike Flood for Nebraska
10/1/2019	\$500	Lathrop for Leg.
11/23/2020	\$500	Festersen for City Council
11/23/2020	\$500	Jean Stothert for Omaha
12/1/2020	\$500	Friends of Rich Palhs for Leg.
12/1/2020	\$500	Jen Day for Nebraska
12/1/2020	\$500	Ray Aguilar for Leg.
12/1/2020	\$500	Sanders for Leg.
Total	\$12,000	

Total Peetz & Co. Contributions

2018 Total	\$11,000
2019 Total	\$11,000
2020 Total	\$12,000
3-yr. Total	\$34,000

In-Session Fundraisers (An Opportunity to Make a Real Friend)

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 out to senators offers a free meal. The opportunity for the lobbyists asks \$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 is not 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. That is not always the case. Some term-limited folks 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.

COVID-19 limited In-Session Fund Raisers for 2020.

The Revolving Door

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

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

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

Former Legislators Registered as Lobbyists in 2020

Lobbyist	Years Elected	Registered as Lobbyist	2020
Chris Abboud	1983-1998	2000*	\$35,000‡
Greg Adams	2007-2015	2016	\$43,709.00
Curt Bromm	1993-2004	2005	\$146,415.00
Colby Coash	2009-2017	2018	\$14,400.00
Danielle Conrad	2007-2015	2015	\$27,736.00
Annette Dubas	2007-2015	2015	\$8,000.00
Nicole Fox	2015-2016	2017	\$7,751.00
Tim Gay	2006-2010	2011	\$128,000.00
Burke Harr	2011-2018	2019	\$8,114.00
Sara Howard	2012 - 2020	2021	\$42.50/Hr
Karen Kilgarin	1981-1984	2000*	\$13,497.00
ScottLautenbauh	2007-2014	2015	\$96,286.00
John Lindsay	1989-1997	2000*	\$60,000.00
Heath Mello	2009-2017	2017	\$80,479.00
Mick Mines	2003-2007	2008	\$142,849.00
James Pappas	1983-1987	2000*	\$3,750.00
Kent Rogert	2007-2011	2011	\$96,000.00
Kenneth Schilz	2008-2016	2017	\$222,941‡

‡ Firm Total
*4th Quarter Only

American Legislative Exchange Council (ALEC)

A lobbying organization with secrets.

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 taken home and introduced in their state legislatures. Corporate executives can get personal access to legislators while not having to be registered lobbyists.

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

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

ALEC “model legislation” often aims at privatization of education and health care, rolling back environmental regulations, limiting consumer protection, and promoting corporate tax advantages.

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:

Nebraska Legislators Involved in ALEC Event

Senator	District
Curt Friesen	34
Brett Lindstrom	18
Lou Linehan	39
John Lowe	37
Merv Riepe	12
Jim Smith	14
John Stinner	48

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

In 2019, Senator Lou Ann Linehan—District 39—was identified by ALEC as the Nebraska state chair, and the following were identified as members.

ALEC Members

Senator	District
Sen. Brett Lindstrom	18
Sen. John Lowe	37
Speaker Jim Scheer	19
Senator Lou Ann Linehan	39
Merv Riepe	12
Jim Smith	14
John Stinner	48

Conclusion

There is no doubt that gross expenditures on lobbying declined during 2020, largely resulting from the impact of the COVID-19 pandemic. The amount spent on entertainment, gifts, and tickets to events for our 49 legislators saw a reduction of \$65,366, and the losses in lobbyist compensation amounted to \$460.

Entertainment, Gifts, and Tickets

2019	\$147,149
2020	\$81,783
Difference	\$65,366

Lobbyist Compensation

2019	\$17,891
2020	\$17,430
Difference	\$461

It should be noted, however, that six of our top-10 firms showed increases in lobbyist compensation.

Despite the loss of revenue, Nebraska's lobby did not suffer on the same scale as most Nebraska businesses.

The Nebraska Constitution does not call for educational equity, and over the years, our state government has seemed quite willing to leave local control to determine the quality of education across the state. The result is high property taxes and a poorly funded, and overly complicated, state formula for educational aid.

This educational quandary allows wealthy districts to hire and use lobbyists to protect and advance their interests, leaving many rural school districts at a disadvantage. With the virus complicating educational issues, eight of the 15 school districts that have been able to afford their own lobbyists still found the resources to increase their lobbying power.

In the world of PACs, it is difficult to track the money. Donors give to PACs, PACs give to PACs, PACs give to 501Cs, PACs give to ballot initiatives, PACs give to candidates. The total amount contributed by all Nebraska PACs to Nebraska candidates and ballot issues may exceed the current estimate of \$3,824,196 for the 2020 election. In Nebraska, it is also legal for lobbyists to be treasurers of PACS.

Although COVID-19 has placed some limits on lobbying, lobbyists continue to have a huge impact on our state government. With term limits, legislators come and go, but the lobby remains always there ready to help a senator with a drink, a dinner, a campaign contribution, and maybe a little help with some legislation.

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Appendix: Full Revolving Door

Former Legislators Registered as Lobbyists

Lobbyist	Years Elected	Registered as Lobbyist	1st yr.	2018	2019	2020	Details
Chris Abboud	1983-1998	2000*	7500‡	67014‡	51370#	35000‡	
Greg Adams	2007-2015	2016	6666!	\$41,459.00	\$42,436.00	\$43,709.00	
Curt Bromm	1993-2004	2005	\$116,000.00	\$146,034.00	\$127,531.00	\$146,415.00	
Jon Bruning (AG)	2003-2015	2015	132000‡	\$162,507.00	\$43,000.00	\$0.00	
Colby Coash	2009-2017	2018	\$5,520.00	\$5,520.00	\$14,400.00	\$14,400.00	
Danielle Conrad	2007-2015	2015	\$12,991.00	\$11,774.00	\$18,325.00	\$27,736.00	
Annette Dubas	2007-2015	2015	\$3,500.00	\$8,000.00	\$0.00	\$8,000.00	
Nicole Fox	2015-2016	2017	5,833/mo	\$5,320.00	\$9,241.00	\$7,751.00	
Tim Gay	2006-2010	2011	\$54,961.00	\$128,000.00	\$128,000.00	\$128,000.00	
Burke Harr	2011-2018	2019			\$16,077.00	\$8,114.00	Houghton Bradford
Sara Howard	2012 - 2020	2921	\$42.50/hr.				First 5 Nebraska
Karen Kilgarin	1981-1984	2000*	\$9,101.00	\$13,281.00	\$13,388.00	\$13,497.00	
ScottLautenbauh	2007-2014	2015	\$68,000.00	\$828,000.00	\$118,250.00	\$96,286.00	
John Lindsay	1989-1997	2000*	\$62,126.00	\$100,334.00	\$90,000.00	\$60,000.00	
Jan McKenzie	1993-1997	2000*	\$3,000.00	\$42,526.00	\$118,250.00		
Heath Mello	2009-2017	2017	\$66,000.00	\$67,355.00	\$67,155.00	\$80,479.00	
Mick Mines	2003-2007	2008	\$56,000.00	\$160,901.00	\$121,021.00	\$142,849.00	
James Pappas	1983-1987	2000*	\$6,000.00	\$3,950.00	\$3,750.00	\$3,750.00	
Kent Rogert	2007-2011	2011	\$76,300.00	\$72,000.00	\$94,000.00	\$96,000.00	
Kenneth Schilz	2008-2016	2017		162507‡	214555‡	222941#	Neb. Strategies

‡ Firm Total
*4th Quarter Only

