

BY SIGRID BATHEN

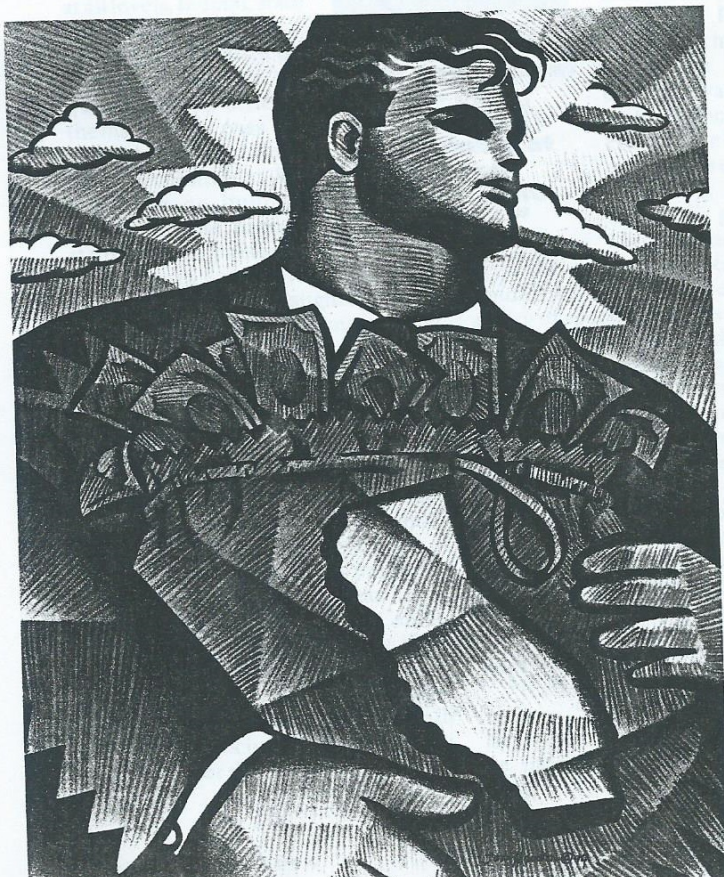
Subject to strict regulations as they aggressively seek to influence legislation, today's lobbyists find themselves caught in a balancing act.

Lobbyists: Walking a Fine Line

Nancy Drabble worked for 10 years as a lobbyist for consumer activist Ralph Nader in Washington, D.C., and for the last eight years has been a lobbyist in California's Capitol for one of the biggest users of lobbyist services in the state, the California Trial Lawyers Association. A lawyer

herself, Drabble is a longtime survivor in a complex, competitive, sometimes vicious profession where one wrong judgment call can mean professional suicide, even a brush with the intricate laws governing lobbyists.

"I think lobbyists today are somewhat more cautious," says Drabble. "Maybe not everyone is as cautious as they should be."



Robert Forsyth, a longtime *Sacramento Bee* editor and Capitol reporter who was press secretary to former state Senate President Pro Tempore David Roberti, says most lobbyists "tend to be rather cautious people, interestingly enough. The best ones always depend heavily on good, solid information as their arsenal in dealing with legislators and staff people. There are some who are heavy-handed and crude, but there are also some legislators and staff people who are heavy-handed and crude."

Forsyth, who now handles media relations for the trial lawyers as well as a statewide association of attorneys representing applicants for workers' compensation, says the legislative system in California remains driven by an insatiable need for campaign contributions—a fact that heavily influences how lobbyists and legislators interact. "Money will always drive politics, and therefore public policy," he says, "until and unless the U.S. Supreme Court agrees to limit campaign spending, and there is no indication the court will do that."

The racketeering conviction of prominent Sacramento lawyer-lobbyist Clayton Jackson, who is now serving a federal prison term following a successful, decade-long FBI investigation of Capitol corruption, struck fear in the hearts of many a Capitol lobbyist. But business continues largely as usual—perhaps more cautiously, more quietly—with huge sums expended annually in California by a wide variety of special interests to influence, alter, defeat or pass laws and regulations.

"I've had a number of lobbyists tell me, 'There but for the grace of God go I,'" says Ben Davidian, a prominent Sacramento attorney who chairs the state's Fair Political Practices Commission (FPPC), which was created in 1974 by the Political Reform Act to enforce the act's provisions.

"When you have this tremendous amount of money flying around, there is a tremendous amount of abuse," he adds, "particularly when the fundraising is going on at the same time legislation is being considered. . . . Clearly, we need to make some changes. Our system needs work, and an occasional FBI sting isn't going to fix it."

A good start, say Davidian and others, would be to give the FPPC some serious enforcement teeth, substantially increasing its statewide staff of 56 and raising the \$2,000-per-count maximum fine for Political Reform Act violations—a figure that has remained the same for two decades.

ILLUSTRATION BY
JUDE MACEREN

Other critics, like Ruth Holton of California Common Cause, say no reform is possible until there is public financing of campaigns—removing the ethically dangerous link between campaign contributions and legislation.

"Lobbyists are important," says Holton. "We may not agree . . . but it is the core of our democracy that individuals can lobby and petition our government.

What really needs to happen is that you need to get lobbyists out of being the fund-raising middlepersons, so that when you're going in to lobby legislators, you're not associated with dollars."

More than 2,000 organizations, businesses and public entities—an eclectic collection of groups ranging from the California Cotton Ginners Association

and the California Kiwifruit Commission to the American Paintball Industry Committee and the Center for Surrogate Parenting—hired lobbyists to influence state legislation and regulations in California last year. Some spent comparatively miniscule amounts to make one point or another about a specific bill or state regulation. A few spent far more to influence legislators or public agencies on a wide range of issues.

All told, nearly \$128 million was spent by employers of California lobbyists in 1993, with the California Teachers Association (CTA) leading at more than \$2.8 million. According to spending reports compiled by the Secretary of State's Political Reform Division, which releases quarterly public accounts of the "top 100" moneymakers among lobbyists and their employers, the Sacramento lobbying firm of Carpenter, Snodgrass & Associates was at the top of the heap, earning more than \$2.2 million in lobbying fees in 1993.

In the first quarter of 1994, the Carpenter firm, headed by former state Sen. Dennis Carpenter, earned \$481,957, again ranking number one. Among lobbyist employers in the first quarter of 1994, the CTA was eclipsed by the Western States Petroleum Association, which spent \$407,819 on lobbying activities from Jan. 1 through March 31.

Figures contained in those reports offer a small window on the enormously lucrative, high-stakes world of lobbying in the state Capitol. Though subject to stringent reporting requirements, it is a profession dogged by public perceptions of behind-the-scenes wheeling and dealing, of corruption and influence peddling—of, as one prominent Sacramento lobbyist put it, images that "lobbyists run around Sacramento with black bags full of money."

Although the Jackson conviction may have made some lobbyists more cautious, the business of lobbying in Sacramento is influenced by other factors as well—and much of what lobbyists do is governed by a mélange of unspoken rules.

"Anytime there is the possible perception of corruption—just in the particular way one may use his or her vocabulary—you make certain that in any kind of conversation you have with anyone associated with the legislative process, that there is no ambiguity," says lobbyist Michael Corbett, a former legislative staffer who represents counties and other governmental entities.

Holton, longtime lobbyist for Common Cause, a national government watchdog organization that urges major campaign finance reforms, says the lobbying business is governed by "a lot of hidden signals. If [a legislator] angers a particularly large contributor, there will be repercussions. They won't contrib-

RUTH HOLTON: Ethics in Government

RUTH HOLTON is well aware that her job—helping to restore ethics in government and limiting campaign spending—is an increasingly uphill battle, especially in the money-hungry, influence-peddling world of lobbyists and the Legislature.

"We work on issues of campaign finance reform, ethics in government, elections and public access issues," says Holton, a lobbyist for California Common Cause, a government watchdog organization. "Our goal is to make government more open, honest and accountable at all levels, federal, state and local.

"It's a very difficult battle because it requires elected officials themselves to pass the laws that make them more accountable. We rely a lot on building public pressure, making it difficult for public officials not to vote for reform issues."

Holton, 35, is the daughter of a career diplomat and spent most of her growing-up years overseas, as her father was sent to State Department posts in Germany, Japan, South Africa, Norway, New Zealand and Great Britain. She has a bachelor's degree from George Washington University in Washington, D.C., in political science "like every other lobbyist," and a master's degree from the University of Chicago. She ran an adult education and literacy center in Cincinnati, Ohio, for two years before coming to California to work for the California Children's Lobby, working to expand prenatal care services for low-income women. She joined Common Cause in 1989 as its principal lobbyist, and last year took over the executive director's position.

She makes \$40,000 a year, working long hours meeting with legislators, testifying before legislative committees, drafting legislation, developing grassroots networks and answering reporters' calls. Because Common Cause

is entirely member-supported (40,000 in California, 250,000 nationally) and takes no foundation or corporate money, she also does fundraising, handles direct mail and writes studies and press releases.

"It's a lot of work, but it's very exciting," she says. "We do have an impact, certainly, which is important. At the very least, the Legislature knows that we're there—we make very effective watchdogs."

The principal focus of Holton's efforts is to place limits on campaign spending, ultimately hoping for public funding of elections. "It real-

ly is the only way to control what candidates raise and spend and the ability of special interests to influence the legislative process," she says. "Every election gets more expensive, which causes candidates and public officials to be more reliant on wealthy special interests and less willing to change the system because it's the only one they know."

Efforts to limit spending have met with mixed results. A widely publicized Common Cause campaign to get legislators to pledge not to ask lobbyists to solicit money for campaigns drew only 12 pledges, and one of those was later withdrawn.

"It all comes down to money," says Holton. "As long as you have to raise large contributions, you're going to be listening to the large contributors."



"Our goal is to make government more open, honest and accountable at all levels, federal, state and local."

JOHN FORAN: Persuasion over Influence

WHEN HE CAME to Sacramento as a freshman member of the state Assembly in 1962, lobbyist John Foran remembers a different sort of political climate. "There was a lot of camaraderie, a lot of lunches and dinners," he recalls. "That changed with the alleged reforms [the Political Reform Act] of 1974," which prohibited lobbyists from spending more than \$10 a month to "entertain" a legislator.

It did not limit legislative fundraisers, to which Sacramento lobbyists receive increasingly persistent, and voluminous, invitations—often during the legislative session, when key bills are under consideration. "We never had during my early years fundraisers during the legislative session, certainly not in Sacramento, and not at those prices," recalls Foran, who represented San Francisco and San Mateo County as a state Assemblyman and Senator from 1962 to 1986. "It does not present a very good image."

Foran, 64, is a partner in the law firm of Nossaman, Guthner, Knox & Elliott, which counts among its 95 members (in offices in Sacramento, San Francisco, Los Angeles, Orange County and Washington, D.C.) two other former state legislators, former state Assembly Speaker Pro Tempore John Knox and former Assemblyman William Bagley. Foran is a registered lobbyist, based in Sacramento, and his firm

is regularly listed as one of the top 10 California lobbying firms in terms of payments received from clients.

According to figures compiled from spending reports by the Political Reform Division of the Secretary of State's



"My concept of lobbying is different than a lot of people's. I don't consider it influence, I consider it persuasion."

office, Foran's firm—which does not consider lobbying as its principal activity, but rather part of its "full service" to clients—received more than \$1.4 million in lobbying payments from clients in 1993, placing it sixth among the top 10.

Foran handles numerous prominent accounts for the firm, including the Association for California Tort Reform, Farmers Insurance Group, the American Council of Life Insurance and Avis Rent-a-Car. As a former member and/or chairman of several powerful legislative committees,

Foran is a big-ticket lobbyist with a low-key, lawyerly approach and an encyclopedic knowledge of the system.

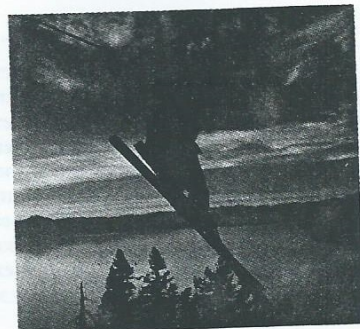
"My concept of lobbying is probably different than a lot of people's," he says. "I don't consider it influence, I consider it persuasion. You have a client, you analyze the problem and what they want to achieve. It takes a lot of research and a lot of work. . . . I see it as no different really than going into court and trying to persuade a judge or jury of your client's position. You put your best arguments forward, and one or the other prevails."

ute to you, or they'll give less, or they'll give to your opponent." Lobbyists who represent big-money clients are playing a complex game, pressing for action (or inaction) by legislators who are increasingly dependent on large campaign contributions. All the while, the lobbyist must *appear* not to function as a carrier of the ubiquitous but ever-present bag full of money.

Robert Gnaizda, a prominent public-interest attorney and registered lobbyist who was a top state health official under former Gov. Jerry Brown, believes little has changed in the way lobbyists do business. "Everyone knows that if you're careful, you won't be caught," he says.

Gnaizda states flatly that the Political Reform Act "hasn't worked. . . . Piecemeal reform is bound to be unsuccessful because the animal you are trying to control is wily, intelligent and dedicated to avoiding capture." As the cost of campaigns has escalated, he adds, "what you have is a situation that you cannot be in the pockets of one special interest—you have to be in the pockets of many special interests."

And, he says, lobbyists—who, after all, represent *clients*—may be the wrong targets of reform efforts. "The people who are most responsible [for public corruption] are left untouched. Do you think lobbyists are doing this without the full support of their clients? The



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clients don't want to know, that's all."

Critics of California's beleaguered, overpriced, yet economically strapped political system say most lobbyists are honest and conscientious and provide a crucial service in a system that has lost key internal expertise with the imposition of term limits on longtime legislators. As unseasoned legislators are elected to replace longtime lawmakers under term limits, and longtime staffers leave as well, critics

say the influence of lobbyists will increase to dangerous levels.

"Term limits will continue to increase the influence of the 'third house' [lobbyists]," says Forsyth, "which includes both white-hat and black-hat lobbyists. When the turnover is as rapid as we're going to see, not only among legislators, but also staff people, basic information is going to have to come from some source, and that source will often be lobbyists." ▼

SISTER SHEILA WALSH:

No Money to Give

SISTER SHEILA WALSH of the Sisters of Social Service is an unlikely advocate in a system driven by money and power, the only nun who is a registered lobbyist in California, lobbying since 1977 for the rights of those who have no power—poor people, the homeless, children, the aged and the disabled.

Last year, the organization she both founded and represents—JERICHO: A Voice for Justice—reported spending \$3,905 on lobbying activities in the state Capitol, a far cry from the six-figure expenditures of other organizations that regularly lobby the Legislature.

"When I first started lobbying and didn't have any money to give anyone, I found it difficult to get access to legislators," says Walsh. "I never went to fundraisers or anything like that. Now that I've been here longer, I don't find it such a handicap."

A former parish social worker in San Francisco, Santa Clara and San Rafael (she holds a master's degree in social work from Catholic University in Washington, D.C.), Walsh came to Sacramento in 1971 to join Catholic Social Services as director of its Department of Aging. She established senior programs in churches and schools throughout Sacramento, and helped found the Camellia City Center for seniors 20 years ago. A lobbyist for California's Catholic bishops from 1977 until 1986, she helped start JERICHO in 1986 as a nonprofit agency with two corporations—one for education and research, one for lobbying. She is both executive director and lobbyist of the interfaith organization, which exists entirely on

contributions and an annual fundraiser.

"During my years of working in the state Capitol for the bishops, I realized how many people of good conscience are not involved [in the legislative process]," she says. "Issues are decided, and they don't have a voice."

JERICHO members choose the issues they want to lobby. "They have to be issues that will lead to change within the system that causes the injustice," says Walsh. "We choose issues that the major religious groups can work together on. There are many we will not get involved in, like abortion, family planning, public funding for private schools, issues where there are differences."

In the two-year legislative session just ended, JERICHO lobbied for universal health care

access, targeting specific areas such as prenatal care, long-term care for the disabled and mental health. Members also pressed for sufficient state revenues for essential services for poor families, and housing for low-income families and the homeless.

Blunt and knowledgeable, Walsh is an imposing presence in the Legislature—a woman who has taken vows of poverty, with absolutely no personal agenda, working in an arena where ego is rampant and political clout is often synonymous with campaign contributions. She is tireless in her pursuit of goals, prompting one legislator to remark after several visits by Walsh to urge his support on a housing bill:

"I have no choice. If I didn't [take her direction], she'd just be back in my office in the morning."



"[The issues we lobby] have to be issues that will lead to change within the system that causes the injustice."