



LIQUOR, LOBBYISTS & LAWMAKING IN MISSOURI

JEFFERSON CITY GIFT CULTURE, BY THE NUMBERS

A Clean Missouri Report - October 2018

EXECUTIVE SUMMARY

Lobbyists, big donors, and small groups of political insiders have too much control and influence over Missouri state government. But it doesn't have to be this way. Clean Missouri is taking a desperately-needed legislative reform measure directly to voters to make our state government more transparent, limit the power of big money in our legislature, and ensure we're able to hold legislators accountable when they fail to act in the public interest.

There are no limits right now on how many gifts paid lobbyists can give to Missouri lawmakers as they seek to influence state policy. Free meals, drinks, sports tickets, rounds of golf and travel have all become part of the game in Jefferson City — to the tune of almost \$1 million worth of freebies every year.

It gets worse. More than two-thirds of gifts are reported in an opaque way using the group gift loophole crafted by the General Assembly which hides the true taker of gifts that purportedly go to “groups.”

No matter what you party you believe in, this isn't right:

- **Lobbyists have reported giving an average of \$885,022 in gifts to the Missouri General Assembly every year**, for years 2004-2017.
- **The reported gift total for 2017 of \$1,070,667 is the highest on record at the Missouri Ethics Commission.** The second highest reported total was \$1,006,050 in 2006. In just the first few months of 2018 for which records are available, legislators had already taken \$248,004 in freebies.
- **Almost 70% of the gifts reported since 2004 — more than \$8.5 million worth — have been reported as going to legislative caucuses, committees, and groups.** This loophole in reporting effectively hides from public view which legislators, staffers, and family members are taking most of the gifts in Missouri.
- **Missouri's lobbyist gift culture crosses partisan lines.** Of the top 10 gift recipients from 2004 to 2017, five were Democratic lawmakers, five Republicans, including gifts from lobbyists to their staff and family. Meanwhile, a growing bipartisan group of House and Senate leaders have sworn off gifts entirely, showing the way forward for a gift-free Jefferson City. Thirty-two state representatives and six state senators had zero dollar balances for 2017 in the [Missouri Ethics Commission's lobbyist gift database](#).

- **Legislative leadership has repeatedly broken promises and failed to reform lobbyist gifts.** Dozens of reform bills have been filed in the past decade, by legislators of both parties — but the General Assembly remains a no-limits world when it comes to free booze, food, tickets, junkets and other gifts.
- **Every one of our bordering states has stronger limits on lobbyist gifts than Missouri.**

No matter what party you believe in, this isn't right. But Missourians will have the opportunity to end Jefferson City's lobbyist gift culture for good by passing the Clean Missouri initiative on the November ballot. The Clean Missouri measure will ban any single gift worth more than \$5. [Initiative text](#) reads as follows:

No person serving as a member of or employed by the General Assembly shall accept directly or indirectly a gift of any tangible or intangible item, service, or thing of value from any paid lobbyist or lobbyist principal in excess of five dollars per occurrence...

[Read the full Clean Missouri initiative policy here.](#)

THE GENERAL ASSEMBLY'S AVERAGE ANNUAL GIFT HAUL IS \$885,022

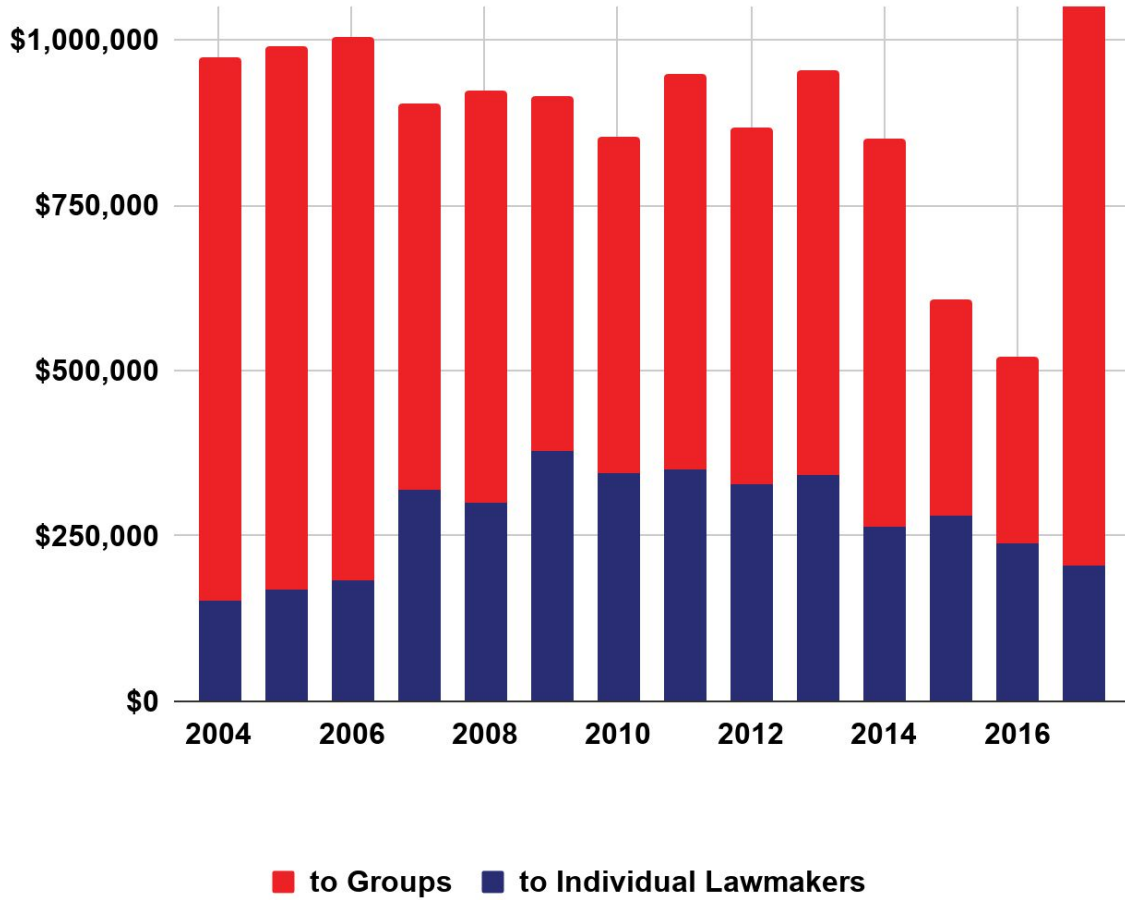
In 2017, reported gifts topped \$1,000,000

Lobbyist gift reports filed with the [Missouri Ethics Commission](#) (MEC) show that \$1,070,666.96 worth of gifts were given to the General Assembly, their staff, and their families in 2017.

The table below shows the overall lobbyist gift totals to legislators, as well as to their staff and family members.

FIGURE 1: ANNUAL GIFT TOTALS 2004-2017				
Year	House	Senate	Group	Total
2004	\$124,169	\$27,622	\$822,777	\$974,568
2005	\$121,439	\$46,189	\$823,887	\$991,514
2006	\$130,519	\$51,622	\$823,909	\$1,006,050
2007	\$238,937	\$82,006	\$581,904	\$902,847
2008	\$214,720	\$86,582	\$621,932	\$923,234
2009	\$265,010	\$114,100	\$536,343	\$915,454
2010	\$243,514	\$100,887	\$508,716	\$853,117
2011	\$232,564	\$117,482	\$597,991	\$948,037
2012	\$223,114	\$104,293	\$540,691	\$868,099
2013	\$229,758	\$113,090	\$612,148	\$954,996
2014	\$188,889	\$73,856	\$587,821	\$850,566
2015	\$204,723	\$76,726	\$327,748	\$609,197
2016	\$175,194	\$62,509	\$284,252	\$521,955
2017	\$140,730	\$63,304	\$866,633	\$1,070,667
Grand Total	\$2,733,280	\$1,120,268	\$8,536,752	\$12,390,301
Annual Average	\$195,234	\$80,019	\$609,768	\$885,022

CHART 1: ANNUAL GIFT TOTALS 2004-2017

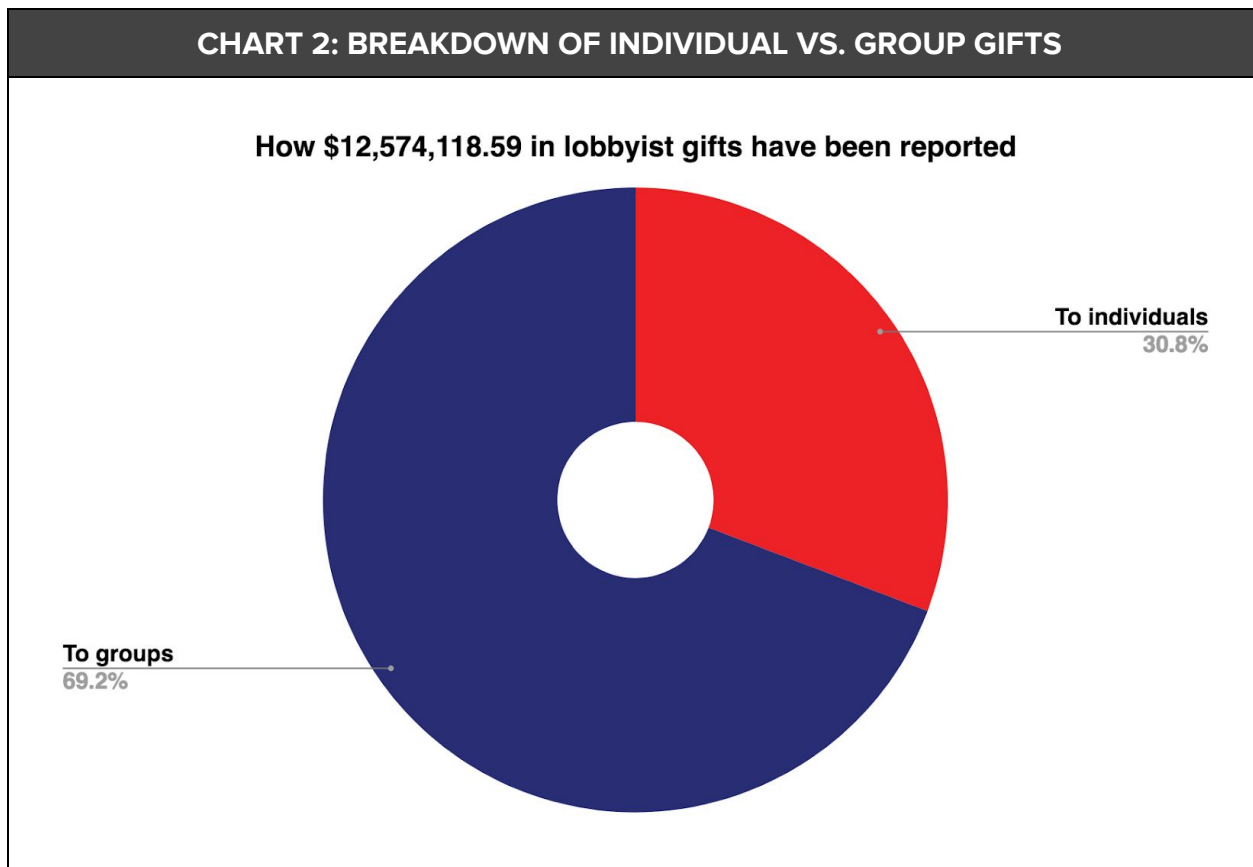


WE DON'T KNOW WHO TAKES TWO-THIRDS OF THE LOBBYIST GIFTS IN MISSOURI

More than \$8,500,000 worth of gifts since 2004 have been reported through the legislators group gift loophole

We know that legislators have taken an average of \$885,022 in lobbyist gifts each year since 2004. However, it is impossible to know which specific legislators indulged in 69% of these gifts because they were reported as going to legislative groups, caucuses, or committees.

The group loophole allows millions of dollars of lobbyist gifts to be reported opaquely, even when these gifts went to specific members of the General Assembly, their offices, and staff. Figure 2 shows the amazing portion of gifts that are reported using the group loophole.



How it happens: The House Utilities Committee's \$6,400 week

In 2013, the House Utilities Committee posted a public notice that they'd been having a "hearing," which wasn't a hearing in any meaningful sense at all. It ended up being [a five thousand dollar evening](#) at a steakhouse thirty miles from the Capitol, for an unknown number of legislators and staffers.



The very next night, the same committee received a \$1,243 meal at the Jefferson City Country Club.

FIGURE 5: One Month Of Gifts To The The House Utilities Committee

Listed Recipient	Lobbying Org	Description	Date	Amount
House Utilities Committee	John Bardgett & Associates, Inc.	Dinner at C. C. Broilers in Columbia, MO	3/4/2013	\$4,827
House Utilities Committee	John Bardgett & Associates, Inc.	Trolley to transport committee from Jeff City to Columbia	3/4/2013	\$300
House Utilities Committee	John Bardgett & Associates, Inc.	Beverages on trolley from JC to Columbia	3/4/2013	\$48
House Utilities Committee	Noranda Aluminum	Meal at Jefferson City Country Club	3/5/2013	\$1,243
House Utilities Committee	Ameren UE	Meals, Food, & Beverage Capitol, Jefferson City	3/27/2013	\$258
House Utilities Committee	Missouri Cable Telecommunications Association	Catered Breakfast in the state capitol	3/2/2013	\$253.35
			Total for Month:	\$6,930

How it happens: The House Telecommunications' Country Club “Hearing”



Telecommunications industry representatives meet with Missouri's House telecommunications committee at a Tuesday night dinner in Jefferson City.

How [KRCG described the scene](#) one Tuesday night in January 2015:

“At first glance, it looks like any other Tuesday night dinner at the Jefferson City Country Club. Until you look at the guest list.

“Sitting around the two tables are members of the House Standing Committee on Telecommunications and the Missouri Telecommunications Industry Association—the lobbying arm of the very group the committee is supposed to regulate.

“Tuesday night's dinner was an official committee meeting. The committee's chair, Rep. Bart Korman, called everyone to order a few minutes after 7 p.m., as scheduled. The only item on the agenda was a 15-minute presentation by the industry association's president and CEO, Richard Telthorst, on the history of the state's telecommunications laws. Because a majority of the committee was there, it became a publicly noticed hearing. One of the rare times a TV camera was

allowed to be in the room, we were able to see the kind of thing that happens all the times in the Missouri legislature.”

“The telecom group that hosted this meeting spends about \$4,000-5,000 each year feeding state lawmakers. So does the committee chair think this is a conflict of interest? ... Those are the guys you’re supposed to be regulating. ... The House Utilities Committee will get a dinner like the one you just saw at the country club tomorrow.”

[Read the full KRCG story here.](#)

MISSOURI RECEIVED A D- GRADE IN A RECENT STATE INTEGRITY INVESTIGATION

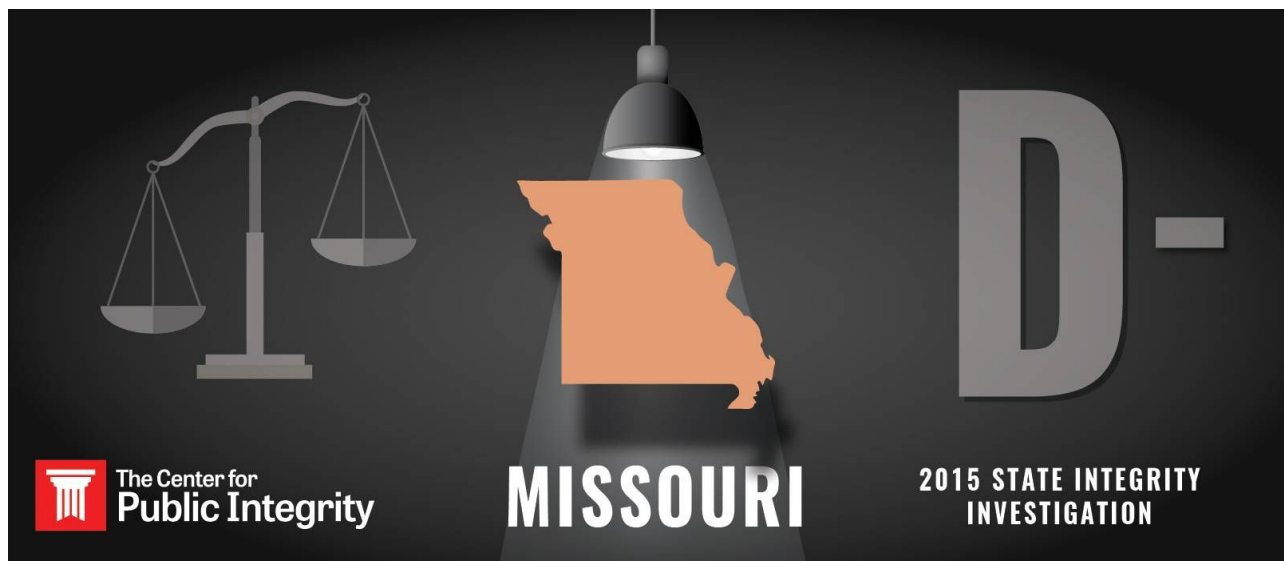
"It's all legal, for now, but few would argue that it is ethical."

[The Center for Public Integrity gave Missouri a D- grade](#) in its 2015 State Integrity Investigation—worse than even Illinois. Here's why:

"Here in the "Show Me" state, ethics reform has been an uphill battle as steep as the streets of Jefferson City, the capital.

"It's not that ethics bills have no supporters. Indeed, they do. The number of ethics-related bills and joint resolutions introduced in the General Assembly has increased each of the last three years, with 39 introduced in 2015... [N]ot one ethics bill has passed in the last three years, despite Missouri's dubious status as a state without campaign finance limits, lobbyist gift limits, or cooling-off periods for legislators registering as lobbyists...

"Critics say many of the current practices make a mockery of the words engraved inside the Senate chamber: 'Nothing is politically right that is morally wrong.'"



LEGISLATORS IN BOTH PARTIES ARE OFFERED AND TAKE LOBBYISTS' GIFTS

A review of gift records shows that lobbyist gift taking crosses party lines. In fact, in the most recent full year for which data is available (2017), five of the top ten gift recipients were Democratic lawmakers, and five were Republican lawmakers.

FIGURE 3: TOP GIFT RECIPIENTS, 2004-2017

Legislator	Spent on Official	Spent on Staff, Family	Grand Total
Talboy, Mike (D)	\$54,396	\$1,098	\$55,493
Colona, Mike (D)	\$39,413	\$497	\$39,910
Silvey, Ryan (R)	\$34,715	\$6,893	\$41,608
Webb, Steve (D)	\$25,977	\$4,056	\$30,032
Scharnhorst, Dwight (R)	\$24,937	\$3,890	\$28,827
Smith, Joe (R)	\$24,932	\$348	\$25,280
Funderburk, Doug (R)	\$24,315	\$3,804	\$28,119
Gray, Rochelle Walton (D)	\$23,938	\$814	\$24,752
Diehl, John J (R)	\$23,332	\$7,428	\$30,760
LeVota, Paul (D)	\$22,492	\$1,807	\$24,299
Flanigan, Tom (R)	\$22,112	\$2,532	\$24,644
Gatschenberger, Chuck (R)	\$21,647	\$3,250	\$24,897
Spreng, Michael (D)	\$21,469	\$498	\$21,966
Beatty, Gail McCann (D)	\$21,433	\$2,910	\$24,343
Cooper, Shannon (R)	\$20,106	\$301	\$20,407
Stream, Rick (R)	\$19,907	\$6,579	\$26,486
Hubbard, Rodney (D)	\$19,614	\$564	\$20,178
Rizzo, John Joseph (D)	\$18,954	\$2,389	\$21,343
Hoskins, Denny (R)	\$18,661	\$5,422	\$24,083
Ellington, Brandon (D)	\$18,591	\$792	\$19,383
Berry, T.J. (R)	\$18,216	\$1,979	\$20,195

DOZENS OF REFORM BILLS HAVE BEEN SPONSORED SINCE 2007 — BUT THE NO-LIMITS LEGISLATURE PARTIES ON

In 2018, the Missouri General Assembly adjourned without taking any action to limit lobbyist gifts. Again.

- This year, like every year, [there was talk](#) about a lobbyist gift ban.
- In 2017, [there was talk](#) about a lobbyist gift ban.
- In 2016, [there was talk](#) about a lobbyist gift ban.
- In 2015, [there was talk](#) about a lobbyist gift ban.
- In 2014, [there was talk](#) about a lobbyist gift ban.
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- In 2012, [there was talk](#) about a lobbyist gift ban.
- In 2011, [there was talk](#) about a lobbyist gift ban.
- In 2010, [there was talk](#) about a lobbyist gift ban.

From 2007-2018, 52 lobby gift reform bills were introduced in the Missouri General Assembly. Leadership shepherded none of them to passage. Lawmakers have even failed to pass watered-down proposals to limit gift giving.

A partial list of reform bills may be found [here](#).

SOME LAWMAKERS MAKE A STATEMENT AND TURN DOWN LOBBYIST GIFTS

In 2017, 32 Representatives and 6 Senators Abstained

In recent years, some members of the legislature have established a tradition of accepting no gifts from lobbyists.

FIGURE 4: Legislators With Zero Dollar Gift Balances In 2017

House		Senate
<ul style="list-style-type: none"> ● Beck, Doug ● Bernskoetter, Mike ● Brown, Cloria ● Brown, Richard ● Ellebracht, Mark ● Frederick, Keith ● Gregory, David ● Hurst, Tom ● Johnson, Delus ● Lauer, Jeanie ● Lavender, Deb ● McCreery, Tracy ● Morgan, Judy ● Morse, Herman ● Newman, Stacey ● Nichols, Mary ● Pfautsch, Donna 	<ul style="list-style-type: none"> ● Plocher, Dean ● Quade, Crystal ● Reiboldt, Bill ● Rone, Don ● Rowland, Rory ● Shull, Noel ● Stevens, Martha ● Toalson Reisch, Cheri ● Unsicker, Sarah ● Walker, Nathan ● Walsh, Sara ● Washington, Barbara ● Wessels, Alfred Jr ● White, William (Bill) ● Wood, David 	<ul style="list-style-type: none"> ● Holsman, Jason ● Kehoe, Mike ● Kraus, Will ● Schaaf, Rob ● Sifton, Scott ● Wasson, Jay

ALL OF MISSOURI'S BORDERING STATES HAVE LOBBYIST GIFT LIMITS

Other states already restrict the gifts that legislators can take from lobbyists. For example, Iowa has a \$3 “cup of coffee” rule to attempt to prevent lobbyists from having greater access and influence than everyday voters.

In fact, **every state around Missouri limits the gifts that individual legislators can accept from lobbyists:**

- Arkansas
- Illinois
- Iowa
- Kansas
- Kentucky
- Nebraska
- Oklahoma
- Tennessee

Some states have a group loophole and are considering closing it.

Source: [“Legislator Gift Restrictions Overview,”](#) National Conference of State Legislatures.

CLEAN MISSOURI WILL ELIMINATE NEARLY ALL LOBBYIST GIFTS IN THE GENERAL ASSEMBLY

The amendment will ban all gifts worth more than \$5

Because Clean Missouri would eliminate almost all lobbyist gifts in the General Assembly, by banning any gift worth more than \$5, it would mean the following solutions:

- No more reporting large gift amounts to undisclosed groups
- No more steak dinners, expensive booze, junkets or sports tickets
- No more gift-bought access that constituents can't afford.

This rule would have outlawed more than 99.% of the lobbyist gifts reported since 2004.

FIGURE 5: All Gift Line Items Valued At Less Than \$5		
Year	Total Gifts	Line Items =<\$5
2004	\$974,568	\$1,432
2005	\$991,514	\$828
2006	\$1,006,050	\$1,618
2007	\$902,847	\$2,859
2008	\$923,234	\$2,115
2009	\$915,454	\$1,405
2010	\$853,117	\$2,165
2011	\$948,037	\$1,087
2012	\$868,099	\$5,689
2013	\$954,996	\$4,024
2014	\$850,566	\$4,298
2015	\$609,197	\$3,972
2016	\$521,955	\$6,175
2017	\$1,070,667	\$2,630
2018	\$248,004	\$1,413

Clean Missouri will also:

- **Require politicians to wait two years before becoming lobbyists**, after the conclusion of their final legislative session.
- **Require that legislative records be open to the public** by ensuring that the legislature operate under the same open records law as other public entities in Missouri.
- **Ensure neither political party is given an unfair advantage when new maps are drawn after the next census**, by adding criteria for fairness and competitiveness of the overall map, which will be reviewed by a citizen commission and keep compact and contiguous districts
- **Lower campaign contribution limits for state legislative candidates** to limit the influence of big money and lobbyists in state government.
 - Establish new campaign contribution limits for General Assembly candidates — \$2,500 for state senate, and \$2,000 for state house.
 - Limit the ability of individuals and organizations to circumvent caps by counting money from single-source committees towards totals for original, actual donors.
 - Stop legislative fundraising on state property.

Questions?

Contact Communications Director Benjamin Singer at benjamin@cleanmissouri.org.

APPENDIX

Data sets:

1. [Totals by Group by Year](#)
2. [Totals by Legislator by Year](#)
3. [All Group Gift Line Items](#)
4. [All Individual Gift Line Items](#)

All data are provided by the Missouri Ethics Commission, mec.mo.gov.