

"All legislative Powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives."

— THE CONSTITUTION
Article 1, Section 1

Vested Interests

ROLL CALL

The lobbying and legislation that drives Capitol Hill

MONDAY, NOVEMBER 3, 2003

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RAINMAKERS

By Brody Mullins
And Michael E. Grass
ROLL CALL STAFF

Griffin Gone. Longtime Senate Democratic leadership aide **Brian Griffin** has left Capitol Hill to become director of government relations for Honeywell International.

For the past three and a half years, Griffin has served as Democratic Policy Committee Chairman Byron Dorgan's (N.D.) leadership adviser. He first cut his teeth in the chamber as a Senate Page and sharpened them when he returned after college to work in the Democratic Cloakroom.

"He is very resourceful and bright," Dorgan said. "He has great knowledge of how the Senate works."

Energetic Way to Cash In. Word from Capitol Hill is that Rep. Joe Barton (R-Texas) is in line to become the next chairman of the Energy and Commerce Committee when Rep. Bill Tauzin (R-La.) leaves Congress.

That's good news for Barton — and even better news for a half-dozen former

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Capitol Daybook

Keep up with this week's big hearings and press conferences in the House and Senate as Congress tries to get out of town, p. 21.

K Street FILES

By Brody Mullins
And Michael E. Grass
ROLL CALL STAFF

Not Indebted to Lobbyists. Normally when a corporation gets in trouble with the government, it reaches into its wallet and hires some big-name lobbyists to help it out in Washington.

Not so with AmeriDebt. When the leading debt management firm found itself under increased federal scrutiny recently, it fired its only lobbying firm.

According to sources close to the situation, AmeriDebt ended its six-month relationship with the **Westin Rinhart Group** after the debt management firm shook up its management team.

Meanwhile, AmeriDebt's in-house lobbyist left the firm. The move comes at a time when a handful of states have brought lawsuits against the company alleging that the firm overcharges customers. The Internal Revenue Service and the Federal Trade Commission also are scrutinizing debt management companies, while Rep. Julia Carson (D-Ind.) introduced a bill that would crack down on the industry.

At the same time, a set of smaller, non-profit credit counseling organizations have shuttled their chief executives to Washington to brief Members of Congress about

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Hobson's Choice

GOP Member May Block Drug Bill Over Equipment Provision

By Emily Pierce
ROLL CALL STAFF

Rep. David Hobson says he has been objecting for months, but no one has been listening.

So the seven-term Ohio Republican took a step he says he's pretty uncomfortable taking — threatening to derail the House-Senate compromise on creating a prescription drug benefit under Medicare.

"I have not tried to stir up discontent on this bill," Hobson said last week. "But unfortunately, nobody listened so I've been forced to do what I don't like to do, which is take this position."

At issue for Hobson is a relatively obscure provision in the House-passed Medicare bill that would allow competitive bidding for home health care equipment paid for by Medicare. It's backed by House Ways and Means Chairman Bill Thomas (R-Calif.) but opposed by the Senate, which would freeze the cost of such medical equipment over the next several years.

Thomas' approach, Hobson said, "will force a lot of small business people out of business."

However, Thomas has argued that the provision will save Medicare money in the long run, and he has fought vigorously to keep his version in the final conference report.

Hobson said he voted for the original House

bill with the provision included because "I was told there'd be a reasonable accord, but no one has talked to me about a reasonable accord."

So now Hobson says he has "talked to everybody I can in the [House GOP] leadership" to tell them he will not vote a second time for a bill that contains the competitive bidding provision.

One House Member's complaint on such a far-reaching measure might not be a big deal if the Medicare bill had passed by more than one vote in the House, or if more than nine Democrats had supported the bill's initial passage.

But Hobson's case is just one instance among many in the tremendous backlash House GOP leaders are getting from their trusty rank and file over the process and policy of the Medicare bill.

One House Republican leadership aide estimated that GOP leaders could count on only about 100 solid votes no matter what comes out of the conference committee. The other 118 they need to prevail will have to be cajoled out of Members whose concerns on the bill are like juggling "cats and dogs," the aide said.



File Photo

Rep. David Hobson said "nobody listened" to concerns.

In some ways, it has become a situation much like the Senate faces every day — where the objections of one lawmaker can bring a bill to a screeching halt.

"They have a lot of leverage because these are guys who are Republicans who voted yes [on the Medicare bill] the first time," noted one health care lobbyist involved in the talks on home health care supplies.

The problem is compounded because House Republicans decided to forgo input from all but two Senate Democrats during conference talks. Just last week, an angry Rep. Charlie Rangel (D-N.Y.), who is the ranking member on Ways and Means and was named a conferee on the bill, led 12 other Democrats

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Online Wine Sales Uncork a Hill Battle

By Nicole Duran
ROLL CALL STAFF



File Photo

Rep. George Radanovich said it's "95 percent 'for the money, honey.'"

Congress may have ended prohibition 70 years ago, but now small vintners believe the law that repealed it, the 21st Amendment, hinders their ability to hawk their wine across the country in the 21st century.

The vintners took their case to Congress last week, arguing at a House hearing that the commerce clause of the Constitution gives them the right to ship their goods throughout the states unfettered.

But they're being opposed by the powerful Wine and Spirits Wholesalers of America, which believes that online sales of any alcoholic beverage — including wine — might encourage underage drinking and cost states tax revenue (in addition to taking a bite out of the wholesalers' profits).

Locked in the middle is the Federal Trade Commission, which issued a report in July concluding that "states could significantly enhance consumer welfare by allowing the direct shipment of wine to consumers," according to Todd Zywicki, the commission's poli-

cy planning office director.

That apparently held a lot of weight with members of the House Energy and Commerce subcommittee on commerce, trade and consumer protection, which held a hearing Thursday on the issue of state intervention in online wine sales.

"If the FTC staff report analysis holds true for markets other than McLean [Va., the site for the FTC study], I find it persuasive that states should pursue less restrictive forms of regulation of direct interstate wine sales than outright bans," said Rep. Cliff Stearns (R-Fla.), the subcommittee's chairman.

The winemakers argue that states restrict online sales to promote local vineyards and please the wholesalers.

"This debate is not really about underage access," said David Sloane, president of the vintner trade group WineAmerica. "This debate is not really about tax evasion; and this debate is most decidedly not about a public galvanized against direct shipment. This debate — as a very wise poet once said — is all

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Lobbyist Finds Niche in Public Sculptures

Chwat & Co. President Gets Chance to Demonstrate His Love of Shakespeare

This is the first in an occasional series that will take an off-beat look at Washington's lobbying community.

By Jessica L. Brady
ROLL CALL STAFF

While K Street insiders usually prefer to schmooze at power spots like The Palm, lobbyist and art enthusiast John Chwat finds solace in rubbing elbows at the Folger Theater.

That's because Chwat & Co. represents the American Friends of the Shakespeare Birthplace Trust, a nonprofit group that works to preserve landmarks through educational programs and fundraising.

To be sure, his Alexandria, Va.-based firm has traditional clients such as the University of Oklahoma and the National Association of Assistant US Attorneys.

But Chwat says he gets the most fulfillment out of the lobbying he does for the placement of public sculptures — most inspired by the works of William Shakespeare — in D.C. and around the world.

"It's a different side of lobbying," the Washington native said. "It's a niche we've chosen to work on."

Chwat also represents the nonprofit Shakespeare Birthplace Trust as well as Greg Wyatt, a New York-based sculptor who has several pieces scattered across Washington.

Last spring, the Folger Shakespeare Library was decorated with several statues Chwat was instrumental in having placed. Four sculptures inspired by the works of Shakespeare now stand in the library's Elizabethan Garden.

Garland Scott of the Folger Library called Chwat a "passionate advocate" who has found a way to merge his work with his outside interests.



File Photo

Lobbyist John Chwat poses with a sculpture titled "Julius Caesar" at the Folger Shakespeare Library.

"I think he was just looking for a way to have more time working on his interests," Scott said. "This way he gets to express his love of Shakespeare."

Doubling as president of the American Friends and a seasoned lobbyist, Chwat has

used his Rolodex and political expertise to successfully have several of Wyatt's Shakespeare-inspired bronze statues displayed around Capitol Hill, including at the State Department and in Congressional offices. His efforts have also produced placements in Albany, N.Y., Nashville, Tenn., and Charleston, S.C.

Chwat's quirky interest is a relatively new element to his 30-year career, which started in the early 1970s as chief of staff to the late Rep. John Breckinridge (D-Ky.) and former Rep. Bill Boner (D-Tenn.).

It was not until the late 1980s that Chwat took his personal interests in art and literature and developed them into a unique career. With the help of then-Rep. Bill Green (R-N.Y.), Chwat brought a sculpture exhibit to the House Cannon Office Building in 1989. The temporary display drew support and intrigue from Members and staffers, which Chwat said is what triggered him to continue lobbying for sculpture placements.

"It was a great example of using Congressional relations to achieve placements" of sculptures, Chwat said.

With his contacts on the Hill, the lobbyist said he is able to avoid the red tape that takes other projects years to be unveiled.

In June 2004, Chwat will again attend an unveiling ceremony at the Folger's garden for the arrival of four additional Wyatt sculptures.

As head of the American Friends, Chwat will be thrilled at the celebration of Shakespeare. As president of a lobbying firm, he will be pleased with his company's latest accomplishment.

"I have an advantage with this type of lobbying," Chwat said. "I'm definitely very familiar with the work involved in the placements. Plus, this is an area I'm interested in."

MCI Decides to Add Rudman to Its Team

Continued from page 11
the growing problem.

"Part of the reason that there are some abuses is because there are no federal guidelines to enforce standards" in the marketplace, said Lydia Sermons-Ward of the National Foundation for Credit Counseling.

The National Foundation for Credit Counseling and the American Association of Debt Management Organizations support Carson's bill as a good first step toward removing bad actors from the industry.

Carson's bill would establish federal standards for AmeriDebt and other companies in the credit counseling industry and would impose civil penalties on violators.

Jet Set Campaigning. An analysis of campaign disclosure forms by PoliticalMoneyLine.com reveals that Democratic presidential hopefuls are flying across the country on jets owned by law firms, unions and other key interests.

Of course, the campaigns must give proper compensation, which is based on market-rate first-class airfare.

North Carolina Sen. John Edwards' campaign has paid \$140,000 to the Dallas law firm **Baron and Budd** for use of its company jet.

An analysis released by PoliticalMoneyLine.com shows that the presidential campaign of Sen. John Edwards paid \$140,000 to a Dallas law firm for use of its company jet. Rep. Richard Gephardt has been flying on planes owned by two unions, while Sen. John Kerry uses his wife's plane.

Edwards' campaign has also used flight services from the Decatur, Ill.-based agribusiness giant **Archer Daniels Midland** cost-

ing nearly \$20,000.

Rep. Richard Gephardt (Mo.) has also used ADM for flights on the presidential campaign trail.

The former House Minority Leader has been flying on planes owned by two unions that have publicly supported him — the **International Union of Bricklayers and Allied Craftworkers**, and the **International Association of Machinists and Aerospace Workers**.

According to the report, Sen. John Kerry (Mass.) has reimbursed **Flying Squirrel** charter airline to the tune of \$70,000. His wife, Teresa Heinz, owns the service.

MCI hires Rudman. Former Sen. Warren Rudman (R-N.H.) has become the latest former Member to sign on with MCI as the company works its way out of bankruptcy.

Rudman joined the embattled telecommunications firm to advise on ethical and corporate governance issues. He will not be a lobbyist for the embattled company.

Rudman joins former lawmakers such as ex-Reps. Thomas Bliley (R-Va.) and Bob Walker (R-Pa.) and former Sen. Jake Garn (R-Utah) on MCI's team of advisers.