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Bank-Rolling Congress

Financial Services Industry Lobbyists & PACs Have Sponsored 70 Fundraisers, Contributed \$6 Million Since Election Day

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Lobbyists and lobbying firms representing seven of the top 10 TARP recipients in the financial services industry as well as four of their major trade association allies scheduled at least 70 fundraisers for members of Congress and major party committees between Election Day 2008 and the end of June. Lobbyists and PACs of major TARP recipients and their allied trade associations made \$6 million in federal campaign contributions in this time period, according to contribution data reported to the secretary of the Senate.¹

Methodology

We examined campaign contributions as well as information collected by the Sunlight Foundation on the hosting of political fundraisers for lobbyists and PACs associated with the 10 financial services companies that have received the most TARP money, as well as five trade associations that are spearheading a campaign against the proposed Consumer Financial Protection Agency (CFPA).² The trade associations are the American Bankers Association, American Financial Services Association, Financial Services Roundtable, Mortgage Bankers Association of America and U.S. Chamber of Commerce. The Sunlight data show no fundraisers sponsored by lobbyists affiliated with three of the 10 TARP recipients we examined (SunTrust Bank, U.S. Bancorp and Wells Fargo), or for one of the trade associations (American Financial Services Association). One of the TARP recipients, SunTrust Bank, reported no lobbying activities and no PAC contributions.

The study included the fundraisers and contributions since November for all lobbyists who have represented the financial services companies that have received the most TARP money. For trade associations, such as the Chamber, only lobbyists who worked on issues relating to the regulation of the financial services industry were counted. Contribution totals include donations to federal candidates and federally registered PACs.

Fundraising event totals are based on invitations collected by the Sunlight Foundation and are based on the assumption that scheduled events actually took place, unless a subsequent news report indicated otherwise. There is no requirement for fundraising events to be disclosed. The Sunlight Foundation project (“Party Time,” available at www.politicalpartytime.org) collects event invitations that are voluntarily submitted by the public. Although the project has captured more than 5,500 invitations since its launch in July 2008, it almost certainly undercounts the number of fundraisers.

Chamber’s Lobbyists Most Frequent Hosts

Lobbyists who represent the U.S. Chamber of Commerce hosted 35 of the scheduled fundraisers, more than any other group. Lobbyists who represent the American Bankers Association hosted 21 scheduled fundraisers. Lobbyists who represent Citigroup, a company that is about one-third owned by U.S. taxpayers,³ were the third most frequent hosts, with 15 scheduled fundraisers. (Some events were attributed to lobbyists for more than one organization because the hosting lobbyist represented multiple clients.) [See Figure I]

In June, the Chamber announced plans for a campaign, budgeted for as much as \$100 million, to combat federal regulation.⁴ When announcing the campaign, Chamber President Thomas J. Donohue excoriated the White House for its imposition of pay caps on Wall Street executives.⁵

Lobbyists for the American Bankers Association and its PAC Were Top Donors

Lobbyists representing the American Bankers Association and that association's PAC contributed nearly \$2 million in the time period studied. Citigroup's lobbyists and its PAC gave more than \$1 million. Lobbyists and PACs associated with Goldman Sachs, the Mortgage Bankers Association of America, J.P. Morgan Chase, and the Chamber all gave more than \$500,000. [See Figure II]

Two Members Were Honored by Four Events Each

Forty-eight current members of Congress, plus the Democratic Congressional Campaign Committee and the Democratic Senatorial Campaign Committee, were beneficiaries of the scheduled fundraisers. Rep. Richard Neal (D-Mass.) and Rep. Paul Ryan, (R-Wis.) were the beneficiaries of the most scheduled fundraisers, with four each. The House Ways & Means Committee had 10 beneficiaries, the most members in the study for any committee. The Senate banking committee had the most members honored in that chamber, with seven. [See Figure III]

These fundraisers allowed lobbyists and lawmakers to mingle at many of Washington's fine dining establishments. Destinations included Bobby Van's Grill, Johnny's Half Shell, the Caucus Room, The Monocle and Central Michel Richard. Although the Honest Leadership and Open Government Act of 2007 prohibited members of Congress from accepting free meals from lobbyists, lawmakers may still use campaign contributions raised at fundraisers to cover their tabs at fundraising events, thus effectively giving themselves a free meal while simultaneously raking in more campaign cash.

Podesta Group Sponsored Most Events

Collectively, lobbyists for the Podesta Group were scheduled to host at least 14 fundraisers, more than those for any other lobbying firm, and made \$82,150 in federal contributions in the time period covered in this study. Lobbyist Anthony Podesta scheduled at least 10 fundraisers at his house, according to three invitations ([here](#), [here](#), and [here](#)) that referenced events slated to take place between March 25, 2009, and June 17, 2009. Podesta has lobbied Congress on financial services provisions on behalf of a division of the U.S. Chamber of Commerce. Podesta's brother, former Obama transition co-chairman John Podesta, was listed as a co-host of a Podesta Group-sponsored fundraiser for Sen. Patrick Leahy (D-Vt.), according to a separate [invitation](#).

One scheduled Podesta Group fundraiser was cancelled. The invitation for an event honoring Sen. Dianne Feinstein (D-Calif.) offered attendees the opportunity to feast on "the Select Committee on Intelligence for the first course" and to enjoy their "choice of Appropriations, Judiciary or Rules committees" for the other "courses."⁶ Feinstein serves on each of the

committees referenced in the invitation's metaphorical menu. Feinstein canceled the event after the language became public, saying through a spokeswoman that she had not seen the invitation before it went out.⁷

Six Honorees Are Co-Sponsors of FENA

Of the 48 members of Congress who were beneficiaries of the fundraisers, six are co-sponsors of the Fair Elections Now Act, which would allow viable congressional candidates to receive sufficient public funding to wage a competitive campaign in exchange for agreeing not to accept private contributions of more than \$100.

101 Constitution a Popular Address

Six fundraisers reported in the Sunlight database were held in the office building at 101 Constitution Ave. NW, home to at least a dozen lobbying firms. Of these, five were hosted by Capitol Tax Partners. At least seven of that firm's principals previously worked either for the Treasury Department or in Hill positions. Each specialized in tax policy. Capitol Tax Partners' clients include four of the top 10 recipients of TARP money: Capital One, Citigroup, Goldman Sachs and Morgan Stanley. They have cumulatively received \$74.7 billion in TARP money since October.⁸ Capitol Tax Partners lobbied on the stimulus bill and on provisions to curb executive pay.⁹ The firm's lobbyists have contributed at least \$42,200 to federal political committees since Election Day.¹⁰

Figure I: Scheduled Fundraisers Sponsored by Firms' Lobbyists

Organization	Number of Fundraisers Hosted by Lobbyists Representing Organization*	Number of Federal Lawmakers Benefiting from Fundraisers*
U.S. Chamber of Commerce	35	30
American Bankers Association	21	17
Citigroup	15	12
Financial Services Roundtable	11	9
Goldman Sachs	10	9
J.P. Morgan Chase	9	7
Morgan Stanley	6	8
Capital One	6	4
Mortgage Bankers Association of America	5	5
Bank of America	4	4
PNC Financial Services	1	1
American Financial Services Association	0	0
SunTrust Bank	0	0
U.S .Bancorp	0	0
Wells Fargo	0	0

Sources: Sunlight Foundation Party Time Database (available at <http://politicalpartytime.org>).

* Totals for each company or association include overlapping events because some firms and lobbyists lobbied for more than one of the companies or trade associations in the study.

Figure II: Campaign Donations by Lobbyists and PACs of Top TARP Recipients and their Trade Association Allies

Entity	Amount Given by Lobbyists and the PACs of Lobbying Firms Retained by Organizations	Amount Given by Organizations' In-House PACs	Total
American Bankers Association	\$252,095	\$1,712,000	\$1,964,095
Citigroup	\$486,424	\$522,670	\$1,009,094
Goldman Sachs	\$620,446	\$157,030	\$777,476
Mortgage Bankers Association of America	\$65,357	\$629,000	\$694,357
J.P. Morgan Chase	\$251,418	\$429,772	\$681,190
U.S. Chamber of Commerce	\$427,462	\$126,085	\$553,547
Bank of America	\$110,425	\$316,000	\$426,425
Capital One	\$118,750	\$192,425	\$311,175
Financial Services Roundtable	\$106,903	\$173,020	\$279,923
U.S. Bancorp	\$8,420	\$123,170	\$131,590
American Financial Services Association	\$0	\$106,200	\$106,200
Morgan Stanley	\$81,045	\$3,500	\$84,545
PNC Financial Services	\$1,250	\$33,993	\$35,243
Wells Fargo	\$8,770	\$9,170	\$17,940
SunTrust Bank	\$0	\$0	\$0

Figure III: Lawmakers for Whom Lobbyists for TARP Recipients and their Trade Association Allies Scheduled Fundraisers

Lawmaker	Committee Assignments	Number of Fundraisers
Rep. Richard Neal (D-Mass.)	Ways and Means	4
Rep. Paul Ryan (R-Wis.)	Budget (Ranking Member); Ways and Means	4
Rep. Roy Blunt (R-Mo.)	Energy and Commerce; Permanent Select Committee on Intelligence	3
Sen. Richard Burr (R-N.C.)	Armed Services; Energy and Natural Resources; Health, Education, Labor and Pensions; Select Committee on Intelligence; Veterans' Affairs (Ranking Member)	3
Sen. Jim DeMint (R-S.C.)	Banking, Housing and Urban Affairs; Commerce, Science and Transportation; Foreign Relations; Joint Economic Committee	3
Rep. Charles Rangel (D-N.Y.)*	Joint Committee on Taxation (Chair); Ways and Means (Chair)	3
Sen. John Thune (R-S.D.)	Agriculture, Nutrition and Forestry; Armed Services; Commerce, Science and Transportation; Small Business and Entrepreneurship	3
Sen. Robert Bennett (R-Utah)	Appropriations; Banking, Housing and Urban Affairs; Joint Economic Committee; Rules and Administration (Ranking Member)	2
Sen. Blanche Lincoln (D-Ark.)	Agriculture, Nutrition and Forestry; Energy and Natural Resources; Finance; Special Committee on Aging	2
Sen. Charles Schumer (D-N.Y.)	Banking, Housing and Urban Affairs; Finance; Joint Economic Committee (Vice Chair); Judiciary; Rules and Administration (Chair)	2
Sen. David Vitter (R-La.)	Armed Services; Banking, Housing and Urban Affairs; Commerce, Science and Transportation; Environment and Public Works; Small Business and Entrepreneurship	2
Sen. Michael Bennet (D-Colo.)	Agriculture, Nutrition and Forestry; Banking, Housing and Urban Affairs; Homeland Security and Governmental Affairs; Special Committee on Aging	1
Rep. David Camp (R-Mich.)	Ways and Means (Ranking Member)	1
Rep. Eric Cantor (R-Va.)	Ways and Means; Republican Whip	1
Rep. Lois Capps (D-Calif.)	Energy and Commerce; Natural Resources	1
Sen. John Cornyn (R-Texas)	Agriculture, Nutrition and Forestry; Budget; Finance	1
Sen. Mike Crapo (R-Idaho)	Banking, Housing and Urban Affairs; Budget; Environment and Public Works; Finance	1
Rep. Geoff Davis (R-Ky.)	Ways and Means	1
Sen. Chris Dodd (D-Conn.)*	Banking, Housing and Urban Affairs; Foreign Relations; Health, Education, Labor and Pensions	1
Rep. Barney Frank (D-Mass.)	Financial Services (Chair)	1
Rep. Bart Gordon (D-Tenn.)	Energy and Commerce; Science and Technology (Chair)	1

Lawmaker	Committee Assignments	Number of Fundraisers
Rep. Debbie Halvorson (D-Ill.)	Agriculture; Small Business; Veterans' Affairs	1
Rep. Martin Heinrich (D-N.M.)*	Armed Services; Natural Resources	1
Rep. Dean Heller (R-Nev.)	Ways and Means	1
Rep. Paul Hodes (D-N.H.)*	Financial Services; Oversight and Government Reform	1
Sen. Daniel Inouye (D-Hawaii)	Appropriations (Chair); Commerce, Science and Transportation; Indian Affairs; Rules and Administration	1
Rep. Jim Jordan (R-Ohio)	Budget; Judiciary; Oversight and Government Reform	1
Sen. John Kerry (D-Mass.)	Commerce, Science and Transportation; Finance; Foreign Relations (Chair); Small Business and Entrepreneurship	1
Rep. Ron Klein (D-Fla.)	Financial Services; Foreign Affairs	1
Rep. Leonard Lance (R-Fla.)	Financial Services	1
Rep. Tom Latham (R-Iowa)	Appropriations	1
Rep. Steven LaTourette (R-Ohio)	Appropriations	1
Sen. Patrick Leahy (D-Vt.)	Agriculture, Nutrition and Forestry; Appropriations; Judiciary (Chair)	1
Rep. Barbara Lee (D-Calif.)*	Appropriations; Foreign Affairs	1
Rep. Kevin McCarthy (R-Calif.)	Administration; Financial Services	1
Rep. Jim McDermott (D-Wash.)*	Ways and Means	1
Rep. Kendrick Meek (D-Fla.)	Ways and Means	1
Rep. Charlie Melancon (D-La.)	Budget; Energy and Commerce	1
Rep. Walt Minnick (D-Idaho)	Agriculture; Financial Services	1
Rep. Patrick Murphy (D-Pa.)	Armed Services; Intelligence	1
Rep. Scott Murphy (D-N.Y.)	Agriculture; Armed Services	1
Sen. Patty Murray (D-Wash.)	Appropriations; Budget; Health, Education, Labor and Pensions; Rules and Administration; Veterans' Affairs	1
Rep. Bill Pascrell (D-N.J.)	Homeland Security; Ways and Means	1
Sen. Harry Reid (D-Nev.)	Majority Leader, U.S. Senate	1
Rep. Tom Rooney (R-Fla.)	Armed Services; Judiciary	1
Rep. Pete Sessions (R-Texas)	Rules	1
Sen. Jeanne Shaheen (D-N.H.)	Energy and Natural Resources; Foreign Relations; Small Business and Entrepreneurship	1
Rep. Ed Towns (D-N.Y.)	Oversight and Government Reform	1
Democratic Congressional Campaign Committee	--	1
Democratic Senatorial Campaign Committee	--	1

* Fair Elections Now Act co-sponsor

¹ Public Citizen analysis of lobbying contribution forms filed with the secretary of the Senate (available at http://www.senate.gov/legislative/Public_Disclosure/LDA_reports.htm).

² See, e.g., Brady Dennis, "Industry Takes Aim at Plan to Create Financial Protection Agency," *Washington Post*, July 7, 2009.

³ Cyrus Sanati, "Analyst Sees More Pain for Citi.," *The New York Times*, Aug. 24, 2009.

⁴ "U.S. Chamber Announces Campaign to Support Free Enterprise," U.S. Chamber of Commerce, June 10, 2009.

⁵ John Bresnahan, "Chamber's Donohue Says U.S. Free Market System Is Threatened," Politico, June 14, 2009 (available at

http://www.politico.com/blogs/politicolive/0609/Chambers_Donohue_says_US_capitalism_is_threatened.html).

⁶ Chuck Neubauer and Jerry Seper, "After Lobbyist Boasts, Feinstein Cancels Event," *Washington Times*, June 16, 2009 (available at <http://www.washingtontimes.com/news/2009/jun/16/after-lobbyist-boasts-feinstein-cancels-event/>).

⁷ *Id.*

⁸ ProPublica, "Bailout Recipients: Eye on the Bailout," accessed on Aug. 28, 2009 (available at <http://bailout.propublica.org/main/list/index>) and ProPublica, "Companies That Have Refunded Bailout Money: Eye on the Bailout," accessed on Aug. 28, 2009 (available at <http://bailout.propublica.org/main/list/refunds>).

⁹ Public Citizen analysis of lobbying disclosure forms filed with the secretary of the Senate (available at <http://soprweb.senate.gov/index.cfm?event=getFilingDetails&filingID=d51ad66d-ae4e-4685-a5bd-b69892468dde>).

¹⁰ Public Citizen analysis of lobbying contribution forms filed with the secretary of the Senate (available at http://www.senate.gov/legislative/Public_Disclosure/LDA_reports.htm).