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Access for Sale

A Report on Corporate Funding of Associations of State and Local Government Officials

Acknowledgments

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Executive Summary

Associations of state and local government officials bring together governors, state legislators, treasurers, health officials, police chiefs, and other officials from across the country. These associations provide officials with the means and opportunity to share information and best practices, strategize about common challenges, and exchange innovative ideas. In addition, through their corporate sponsorship programs, these associations provide opportunities for corporations to gain access to these officials. From Northrop Grumman and Lockheed Martin to AstraZeneca and GlaxoSmithKline to BP and TransCanada, powerful players from a wide range of industries have paid up to access powerful decision makers.

This report provides an overview of the corporate sponsorship arrangements of some of the largest associations of government officials in the United States. We examine the stated purposes of each association's sponsorship program, which companies associations permit to pursue such sponsorships, the amount of money the companies pay to sponsor the associations, the benefits they receive as sponsors, and any ethical guidelines or restrictions that the associations put in place to avoid inappropriate relationships between association members and corporate sponsors.

Corporate sponsors participate in association activities in a variety of ways, including sitting on advisory committees and policy task forces. The sponsors often fund the associations' meetings and the sometimes lavish events that occur on the sidelines of these conferences. They have a strong presence at these meetings, participating in panels, presenting white papers, erecting exhibits about their products, and, perhaps most importantly, making use of numerous opportunities to "network" with the association members at cocktail parties and receptions, which are often closed to the public. Corporations also host lavish events that occur in parallel to official conference activities, offering further opportunities for corporate sponsors to woo elected officials and other government decision makers, without concern for the existing ethical guidelines and lobbying rules that might otherwise apply.

Almost all of these associations have no meaningful rules in place to prevent corporate funders from using their sponsorships to influence officials' policy-making decisions. Few of the associations discussed in this report have any restrictions on which companies qualify as sponsors. The NCSL takes money from corporate wrongdoers like BP, from alcohol makers Diageo and Anheuser-Busch, and from a host of pharmaceutical companies. The NGA is similarly well lubricated by Big Pharma, the energy industry, and the health insurance industry.

Financial service providers, tech giants, telecommunications firms, pharmaceutical companies, energy companies, and defense industry companies all have a vested interest in the types of decisions members of these associations make – which is why they are more than willing to pay what will amount to a paltry sum relative to the valuable access they are able to secure. In addition, companies that rely on governmental contracts to sustain their business essentially buy an opportunity to market to officials, which gives them a leg up when it comes time to bid on an RFP. These companies are provided with opportunities to not only pitch their products in a traditional way, but also to appear authoritative by sitting on panels at conferences or circulating white papers to association members.

Association representatives frequently claim that corporate sponsors receive no special access beyond that afforded average citizens. However, even where associations' conferences are open to the public, the costs of attending are often prohibitive, and some events are open only to corporate sponsors and association members.

There is no doubt that corporate sponsors are getting what they pay for: the ears of decision makers whose decisions will have a direct impact on their bottom lines. Meanwhile, the voices of average citizens are increasingly drowned out, with corporate interests instead of public interest guiding government decisions and actions. These programs overtly undermine the democratic process, allowing corporate interests to have the ear of government officials in a manner that no average citizen can expect to enjoy.

The associations discussed in this report serve legitimate purposes. The opportunity for officials to exchange ideas and best practices has the potential to yield innovative solutions to commonly faced problems and, in turn, to improve the lives of citizens. In order for these organizations to repair their credibility and serve as mechanisms that promote citizens' interests, they must put a stop to unethical corporate sponsorship programs. While there may be reasons for government officials to collaborate with the private sector, corporate sponsorship programs of the varieties discussed in this report are not necessary for this collaboration to take place. Well-meaning corporations can surely contribute their ideas to government without purchasing special access to decision makers, as is essentially the case where corporate sponsorship programs are concerned. And, if government officials rely on the expertise of corporate partners, these partners presumably would provide such expertise without paying to do so. As it stands, corporate sponsorship programs for these organizations function primarily as lobbying opportunities by another name.

I. Introduction

Associations of state and local government officials bring together governors, state legislators, treasurers, health officials, police chiefs, and other officials from across the country. These associations provide officials with the means and opportunity to share information and best practices, strategize about common challenges, and exchange innovative ideas.

However, commonly, participation in association meetings and the ongoing activities of these associations is not restricted to government officials alone. Rather, many also have corporate participants – corporations that sponsor the associations, and that typically have a direct stake in the policy and procurement decisions made by the associations' members. Corporate sponsors often fund the associations' meetings and the sometimes lavish events that occur on the sidelines of these conferences. They often have a strong presence at the meetings, sitting on panels, presenting white papers, erecting exhibits about their products, and, perhaps most importantly, making use of numerous opportunities to “network” with the association members at cocktail parties and receptions, which are often closed to the public. From Northrop Grumman and Lockheed Martin to AstraZeneca and GlaxoSmithKline to BP and TransCanada, powerful players from a wide range of industries have paid up to access powerful decision makers.

This report provides an overview of the corporate sponsorship arrangements of some of the largest associations of government officials in the United States. We examine the stated purposes of each association's sponsorship program, which companies associations permit to pursue such sponsorships, the amount of money the companies pay to sponsor the associations, the benefits they receive as sponsors, and any ethical guidelines or restrictions that the associations put in place to avoid inappropriate relationships between association members and corporate sponsors.

The associations included in this report are primarily funded by public monies, are nonpartisan, and do not have specific legislative agendas. We purposefully do not include the American Legislative Exchange Council (ALEC), an organization that has received considerable attention in the past few years.¹ Despite claiming to be nonpartisan, ALEC has a highly politicized agenda, describing its mission as “work[ing] to advance the fundamental principles of free-market enterprise, limited government, and federalism at the state level through a nonpartisan public-private partnership of America's state

¹ See for example: Banerjee, Neela. (14 July, 2011). “Common Cause accuses conservative group of lobbying, seeks IRS probe.” *Los Angeles Times*. Retrieved 10 October, 2012, from <http://articles.latimes.com/2011/jul/14/news/la-pn-alec-common-cause-20110714>; McIntire, Mike. (21 April 2012). “Conservative Nonprofit Acts as Stealth Business Lobbyist.” *The New York Times*. Retrieved 10 October 2012, from <http://www.nytimes.com/2012/04/22/us/alec-a-tax-exempt-group-mixes-legislators-and-lobbyists.html>; Nichols, John. (12 July 2011) “ALEC Exposed” (Series). *The Nation*. Retrieved 10 October 2012, from <http://www.thenation.com/article/161978/alec-exposed>.

legislators, members of the private sector and the general public.”² On its website, ALEC states that it is an organization for “conservative state lawmakers.”³ ALEC receives 98 percent of its funding from corporations, trade associations, and corporate foundations.⁴ ALEC functions as a joint policy-making venture for its members. Unlike ALEC, the associations described in this report are legitimate, independent organizations of government officials, not explicitly designed to advance corporate and special agendas.

Our research shows that almost all of these associations have no meaningful rules in place to prevent corporate funders from using their sponsorships to influence officials’ policy-making decisions. Indeed, many explicitly state that a primary benefit of sponsorship is *access* to association members. In effect, most of these associations are selling special access to elected or other high-level officials, facing virtually no scrutiny as they do so. Almost all of the sponsorship programs overtly undermine the democratic process, allowing corporate interests to have the ear of government officials in a manner that no average citizen can expect to enjoy.

Several association representatives that we spoke with claimed that the association’s conferences were open to the public. As a result, they said, corporations received no access in excess of that available to members of the public. Yet, most association conference fees are close to or more than \$1000. Further, in practice, unaffiliated members of the public compose a tiny fraction of attendees at these conferences. And, while conferences may be open to the public, many associations have events that are open only to members and corporate sponsors. Moreover, “unofficial” events hosted by the sponsors at the same time and in the same place as the conferences are not open to the public. Though the associations themselves do not host these events, their corporate sponsorship programs make them possible, facilitating the relationships between members and sponsors. Additionally, it is not only through the conferences, but also through other opportunities throughout the year, that corporations are able to exert their influence.

While some associations have rules restricting corporations from engaging in “out and out” marketing or selling to members, few had rigorous practices in place to enforce this restriction. Moreover, those that have such restrictions often permit corporations to engage in activities that are difficult to distinguish from marketing. Only two of the associations have restrictions in place regarding the industries from which they will accept sponsorship.

² American Legislative Exchange Council. “About ALEC.” Retrieved 10 October 2012, from <http://www.alec.org/about-alec/>.

³ American Legislative Exchange Council. “History.” Retrieved 10 October 2012, from <http://www.alec.org/about-alec/history/>.

⁴ Graves, Lisa. (13 July 2011). A CMD Special Report on ALEC’s Funding and Spending. The Center for Media and Democracy’s PR Watch. Retrieved 10 October 2012, from <http://www.prwatch.org/news/2011/07/10887/cmd-special-report-alecs-funding-and-spending>

To research this report, we examined the publicly available materials of twelve associations. We attempted to contact representatives of each association, and where we were able to make contact with them, we asked them a series of questions about their corporate sponsorship programs. While some respondents were very helpful, others were reluctant to provide comprehensive answers to our inquiries. Where the associations did not already provide information about the amount of revenue received from corporate sponsorships, we requested their 990 tax forms and any additional financial documentation they were willing to provide.

II. Stated Purpose of Sponsorship Programs

Associations describe their corporate sponsorship programs in a variety of ways. Most commonly, associations refer to the exchange of expertise or knowledge between the private sector and association members. Many refer to “building relationships” between public and private entities. Some explicitly refer to providing opportunities for corporations to have direct interactions with members. Others emphasize the charitable nature of the sponsorships: sponsors are committed to civic missions of members and their associations.

Figure 1: Mission Statements of Sponsorship Programs

Association	Mission of Sponsorship Program
Association of State Health Officials (ASTHO)	“ASTHO Corporate Alliances offer a unique opportunity for private sector leaders and public health leaders to address health issues affecting our nation through unique strategic alignments. Your company is in tune with market forces and trends driven by consumers, either directly or indirectly. ASTHO, through its members, reaches every state health department and federal policymaking level.” ⁵
Council of State Governments (CSG)	“The CSG Associates Program allows representatives of the private sector to offer their perspectives to public sector members. CSG Associates have the opportunity to interact with state policymakers through national and regional conferences, program and policy work, and international exchanges.” ⁶
International Association of Chiefs of Police (IACP)	“The IACP Foundation relies on the generous support of both the IACP membership and corporate partners in order to raise

⁵ Association of State Health Officials. (2009.) *Corporate Alliance Program: Imagine What We Could Do Together*. Retrieved 24 July, 2012, from <http://www.astho.org/Display/AssetDisplay.aspx?id=883>.

⁶ Council of State Governments. “CSG Associates Program.” Retrieved 10 October, 2012, from <http://www.csg.org/about/associates.aspx>.

	the funds necessary to develop and maintain high-quality programs.” ⁷
National Association of Counties (NACo)	<p>“Our relationships with the private sector provide our members with a wealth of knowledge and experience and contribute to providing the highest quality services to county residents.”⁸</p> <p>“The NACo Associate Program offers corporations greater access to local government decision makers and allows businesses to build relationships based on an understanding of one another’s issues, priorities and timelines.”⁹</p> <p>“The NACo Premier Member Program is more than raising your corporation’s visibility. It is about exchanging information with decision makers at the county government level and building relationships based on an understanding of one another’s issues, priorities and timelines.”¹⁰</p>
National Association of Secretaries of State (NASS)	“The NASS Corporate Affiliate Program is an excellent way to share ideas and build relationships with key state decision makers while supporting the civic mission of the association.” ¹¹
National Association of State Auditors, Comptrollers, and Treasurers (NASACT)	“NASACT’s Corporate Associates Program offers private sector companies a formal avenue for interacting with members of NASACT at its annual conference.” ¹²
National Association of State Energy Officials (NASEO)	“Affiliate Partners offer NASEO a valuable resource in their diversity of opinion on emerging energy issues, which contributes greatly to our success in promoting a balanced approach to energy issues.” ¹³
National Association of State Treasurers (NAST)	“Each year over 100 private sector firms take advantage of the prosperous public-private partnership with NAST through the Corporate Affiliate Program, founded in 1986. These finance professionals are nationally recognized for their expertise, experience and quality business practices. They understand the complex needs of state treasurers – ranging from

⁷ International Association of Chiefs of Police. “Our Private Sector Partners.” Retrieved 24 July, 2012, from <http://www.theiacp.org/Foundation/PartnersEvents/tabid/523/Default.aspx>.

⁸ National Association of Counties. “Corporate Involvement.” Retrieved 24 July, 2012, from <http://www.naco.org/ABOUT/CORPORATE/Pages/default.aspx>.

⁹ National Association of Counties. “Associate Program.” Retrieved 3 October, 2012 from <http://admin.naco.org/about/partners/nccae/Lists/Enterprise%20Programs/DispForm.aspx?ID=19>

¹⁰ National Association of Counties. “Premier Membership.” Retrieved 24 July, 2012, from <http://www.naco.org/about/corporate/Pages/PremierMembership.aspx>

¹¹ National Association of Secretaries of State. “About the Corporate Affiliate Program.” Retrieved 25 July, 2012, from http://www.nass.org/index.php?option=com_content&view=article&id=63&Itemid=384.

¹² National Association of State Auditors, Comptrollers and Treasurers. “Corporate Associations.” Retrieved 25 July, 2012, from <http://www.nasact.org/nasact/corporate/index.cfm>.

¹³ National Association of state Energy Officials. “NASEO Affiliate Members.” Retrieved 25 July, 2012, from <http://www.naseo.org/members/affiliates/default.aspx>.

	investment and pension fund management to debt and cash management functions.” ¹⁴
National Conference of State Legislatures (NCSL)	“The Foundation is sponsored by a distinguished group of leaders who represent the nation’s most prestigious and influential corporations, unions and organizations. It is committed to the important work of strengthening America’s legislatures, counteracting cynicism and distrust of the legislative process, and helping lawmakers confront and solve the critical issues of our time through a public-private dialogue.” ¹⁵
National League of Cities (NLC)	“The National League of Cities Corporate Partners Program was established to promote the exchange of ideas between corporate leaders and the leaders of America’s cities in order to strengthen local government, encourage economic competitiveness and promote corporate civic engagement.” ¹⁶
National Governors Association (NGA)	“The Corporate Fellows Program, established in 1988, promotes the exchange of knowledge and expertise between the private sector and governors on public policy issues affecting business and states. As a Corporate Fellow, your contribution supports the National Governors Association Center for Best Practices (NGA Center) and positions you and your colleagues as intellectual resources for providing governors ideas that work.” ¹⁷
National Sheriffs Association (NSA)	“NSA offers criminal justice and law enforcement suppliers an advantage over their competitors through our Corporate Partner Program. In today’s business world, corporations know how important it is to gain name recognition in their industry; they also know they must stand out among their competitors. Companies have discovered that the commitment they give NSA and its members not only helps the law enforcement community, but enhances their bottom line as well through increased visibility with our nation’s sheriffs.” ¹⁸
United States Conference of Mayors (USCM)	“The Mayors Business Council is an in-depth, exclusive forum for Mayors and representatives from the private sector to share research, policy analysis and

¹⁴ In July 2012, this document included the following text, appended to the above quote: “– and are often the first to provide services to states.” This text is no longer on the website as of October 2012. National Association of State Treasurers. “Corporate Affiliates.” Retrieved 3 October, 2012, from <http://jicdev.com/~nast/index.php?section=corporate-affiliates>

¹⁵ National Conference of State Legislatures. “NCSL Foundation for State Legislatures: Overview.” Retrieved 25 July, 2012, from <http://www.ncsl.org/about-us.aspx?tabs=1027,82,570#570>.

¹⁶ National League of Cities. “Corporate Partners Program.” Retrieved 3 October, 2012, from <http://www.nlc.org/corporate-engagement/corporate-partners-program>.

¹⁷ National Governors Association. “Corporate Fellows.” Retrieved 24 July, 2012, from <http://www.nga.org/cms/cf>.

¹⁸ National Sheriffs’ Association. “Corporate Partnership Information.” Retrieved 24 July, 2012, from <http://www.sheriffs.org/content/corporate-partnership-information>.

marketplace trends in an effort to identify innovative approaches to the myriad of difficulties and opportunities cities face today.”¹⁹

III. Few Associations Have Criteria for Which Companies Can be Sponsors²⁰

Associations’ corporate sponsors run the gamut from large multinational corporations to smaller, niche market businesses. The largest and most powerful organizations, such as the National Governors Association (NGA) and National Conference of State Legislators (NCSL), form partnerships with businesses that span most industries, from the oil industry to the pharmaceutical industry to the automobile industry. The Council of State Governments (CSG) is the only association among those surveyed that does not make public its list of sponsors. A representative stated that sponsors span all industries and include both for-profit and non-profit entities. She did not know of any restrictions on membership, stating that they seek out members who are a “good fit.”²¹ Associations with specialized members are sponsored both by large companies from a range of industries and companies that specialize in products that the members are likely to purchase. For example, many of the National Association of Secretaries of State (NASS) sponsors are companies focused on voting and elections services, while National Association of State Energy Officials’ (NASEO) sponsors are unsurprisingly dominated by energy companies and energy industry trade associations.

What is clear from the lists of sponsors for each association is that corporate sponsors have both a financial stake in the procurement decisions that these officials make and a financial interest in the policy decisions they make. Though all of the association representatives denied that such influence could be a possibility, corporate sponsors from the oil, pharmaceutical, food and beverage, health insurance, telecommunications, financial services and other industries stand to gain when they are given access to officials whose policy decisions profoundly affect their business practices.

Among the associations we researched, few had explicit limitations on companies from which they will accept money. One exception to this is Association of State Health Officials (ASTHO), which does not accept funding from tobacco or alcohol companies.²² ASTHO’s Corporate and Foundation Relationship Protocol states, “ASTHO further reserves the right

¹⁹ The United States Conference of Mayors. (2011). *The Mayor’s Business Counsel: A Business Opportunity*. Retrieved 25 July, 2012 from <http://usmayors.org/buscouncil/brochure10.pdf>.

²⁰ For a full list of sponsors for each organization, see Appendix.

²¹ Interview with Kelley Arnold, CSG, 10/16/12.

²² Association of State and Territorial Health Officials. “Corporate and Foundation Support and Relationship Protocol.” Retrieved 17 August 2012, from <http://www.astho.org/Display/AssetDisplay.aspx?id=5869>.

to refuse any relationship with or support from companies or foundations whose ethical values and principles are inconsistent with ASTHO's, whose fiscal and business practices are unsound, or whose policies, practices and behaviors are inconsistent with the protection and promotion of public health."²³ Asked about the decision to accept Frito Lay, maker of unhealthy foods, as a sponsor in past years, the executive director of ASTHO explained: "If you find a company that is trying to do the right thing, do you black list them or do you work with them to do the right thing?" ASTHO's decision was to "try to work with them to develop a healthier product mix."²⁴

A second exception is International Association of Chiefs of Police (IACP), which does not allow the NRA to exhibit at its conferences and has a set of guidelines that specify the conditions under which they will accept money from the alcohol industry. The association will only accept funds from alcohol companies that can clearly demonstrate efforts aimed at reducing threats to public safety. These companies are not allowed to use the IACP logo on any of their PR materials.²⁵ The National League of Cities (NLC) also lists criteria for participation, including track record as a "good corporate citizen"; supporting the association's core beliefs; expertise in areas that contribute to NLC's mission; not competing with services offered by NLC, state leagues, or other NLC affiliates; and a willingness to provide top-level corporate involvement in the NLC.

Other associations noted that the association leadership or board must approve any sponsors. Some said that if a would-be sponsor's activities or values did not match that of the association, they could be rejected. The executive director of the National Association of State Treasurers (NAST) speculated, "We have a strong financial literacy program. So, if a pay day lender wanted to be an affiliate, my guess is that they would say no."²⁶ The IACP board makes decisions about sponsors on a case-by-case basis (in addition to their limitations regarding alcohol companies and the National Rifle Association). According to the deputy director of the association, the IACP constitution states that the "Association may accept special donations and bequests from public spirited persons or organizations." To determine if a company meets this criterion of public spiritedness, he said, the association asks, "Are they there to help us with our mission of protecting the public and communities?"²⁷ The National Sheriff's Association (NSA) also evaluates sponsors individually, but the association's director of corporate relations said, "I can't think of a reason why we wouldn't accept someone."²⁸ NASS representatives also suggested that there

²³ Ibid.

²⁴ Interview with Paul E. Jarris, ASTHO, 8/10/2012. Frito Lay is no longer a sponsor of ASTHO.

²⁵ Interview with James McMahon, IACP, 7/26/2012.

²⁶ Interview with John Lawniczak, NAST, 7/17/2012.

²⁷ Interview with James McMahon, IACP, 7/23/2012.

²⁸ Interview with Karen Killpack, NSA, 7/24/2012.

are no specific restrictions, but said that since the organization is non-partisan, an overtly political sponsor would likely not be accepted.²⁹

The NGA has no restrictions listed on its website, nor does the NCSL. Representatives of each organization did not provide further information on the issue.

With few restrictions in place to determine what constitutes an appropriate corporate sponsor, most of these associations appear ready to accept funding from the highest bidder.

IV. The Benefits of Sponsorship

Associations describe the benefits of sponsorship in a variety of ways. While some refer to an opportunity to share expertise and build relationships between the public and private sectors, others are explicit about the direct access to members that sponsors will receive. Although some associations specifically ban sponsors from marketing and selling, others promote sponsorships as opportunities to build brand awareness and gain visibility in front of potential buyers.

Access to members

For a price, corporate sponsors are able to have access to the officials that comprise the membership of these associations. Many associations tout this feature of their sponsorship program openly.

Although the Association of State Health Officials' (ASTHO) Corporate and Foundation Relationship Protocol explicitly states that it does not accept support in exchange for access to policy-makers or other favors that benefit the supporters, it offers the following opportunities to sponsors. ASTHO's sponsors may participate in the Corporate Leadership Council Summit, described as "an annual forum of senior leaders in health and private industry discussing various topics that impact the nation's health and discussing solutions to drive transformation." Corporate Allies may also be invited to select meetings of ASTHO "as available and appropriate." They may also be able to "present potential Corporate Alliance ideas."³⁰ ASTHO's executive director emphasizes that the Corporate Allies are not involved in the association's policy making process in anyway. Rather, they participate in order to understand what the thought leaders in the areas that ASTHO works in are thinking. Furthermore, "We are very clear that this is not about selling stuff," he explains.³¹

The Council of State Governments' (CSG) Associates receive complimentary registrations to the CSG national conference and discounted registration fees to regional meetings. At these

²⁹ Interview with Stacey Dodd, NASS, 7/23/2012.

³⁰ Association of State Health Officials. (2009.) *Corporate Alliance Program: Imagine What We Could Do Together*. Retrieved 24 July, 2012, from <http://www.astho.org/Display/AssetDisplay.aspx?id=883>.

³¹ Interview with Paul E. Jarris, ASTHO, 8/10/2012.

meetings, they have “the opportunity to interact with state policymakers.” A CSG representative explained that Associates were seeking “a seat at the table. They like to be part of the discussion.”³² The Associates have this opportunity primarily at conferences and through the committees and task forces they are permitted to sit on.³³ These include the organization’s transportation, health, education, and energy and environment committees. According to CSG’s Bylaws, CSG Associates may not exceed 25 percent of the overall committee or task force. After passing a committee, a resolution goes to the executive committee, which is made up only of members. The representative explained, “We are a member driven organization. Members get the final say.”³⁴ The Bylaws also describe a “CSG Associates Advisory Committee.” This committee consists of both public members from all regions and CSG (corporate) associates. The committee assists with recruitment of associates. The Bylaws also note, “The Committee shall also assist CSG in identifying key policy issues.”³⁵

The National Association of County Officials’ (NACo) Premier Membership program describes opportunities for sponsors on its website, under the heading “Access to County Decision Makers.” The site refers to “exclusive opportunities to interact with key county elected and appointed officials.” NACo staff will help sponsors to develop a business plan to help the corporation achieve its goals. Such a plan includes “planning small group meetings or social events with key county decision makers.” Companies also have “exclusive sponsorship opportunities at NACo meetings, designed to increase your visibility.”³⁶

A National Association of Secretaries of State (NASS) representative described the major benefit to sponsors as “networking.” According to the NASS website, all levels of sponsors receive “Invitations to Secretaries/Corporate Affiliates Only events at NASS conferences.”³⁷

The National Association of State Auditors, Comptrollers, and Treasurers’ (NASACT) corporate associates receive “opportunities for exposure and participation at NASACT’s annual conferences.” Corporations, which are “mostly companies that do business with the states,” according to the executive director, are able to speak at conferences, sponsor conference events, place items in conference registration bags, and contribute to the NASACT monthly newsletter. NASACT’s platinum sponsors can also conduct surveys of

³² Interview with Kelley Arnold, CSG, 10/16/2012..

³³ Council of State Governments. “CSG Associates Program.” Retrieved 10 October, 2012, from <http://www.csg.org/about/associates.aspx>.

³⁴ Interview with Arnold, CSG.

³⁵ Council of State Governments. (2004). “Bylaws of Standing Committees and Task Forces of The Council of State Governments.” Retrieved 12 October 2012, from <http://www.csg.org/governance/pdfs/ByLawsofCSGStandingCommitteesandTaskForcesCURRENT.pdf>.

³⁶ National Association of Counties. “Premier Membership.” Retrieved 24 July, 2012, from <http://www.naco.org/about/corporate/Pages/PremierMembership.aspx>.

³⁷ National Association of Secretaries of State. “About the Corporate Affiliate Program.” Retrieved 25 July, 2012, from http://www.nass.org/index.php?option=com_content&view=article&id=63&Itemid=384.

members and present white papers developed with data collected from that research.³⁸ (See below for restrictions on these papers.)

According to a representative of National Association of State Energy Officials (NASEO), “Our entire meeting is all about networking.”³⁹ NASEO’s corporate affiliates hold nonvoting seats on the association’s Board of Directors. They are also able to sit on various committees and task forces, and participate in the planning of the association’s biannual meetings. Although NASEO’s website states that “upon request, [affiliates may receive] access to NASEO’s database of all members, meeting attendees and others in the energy community,”⁴⁰ the Director of Member Services stated in an interview, “We have a closed distribution list. We do not provide it to affiliates.”⁴¹

National Association of State Treasurers’ (NAST) executive director explained that, although no selling is allowed at conferences, corporate sponsors get “a chance to meet with a large number of treasurers in a social setting so that when they do have something that [the treasurers] may be interested in, they can pick up the phone.”⁴² Another staff member suggested that the benefits of membership come from the “opportunity to develop relationships with public sector people [sponsors] do business with.”⁴³ According to the group’s website, “corporate members are often featured speakers or panelists, and participate in the annual Exposition (or trade show) at the annual meeting.”⁴⁴

The National Conference of State Legislatures (NCSL) conferences’ lavish events for state officials, funded by corporations, have been described in the press on several occasions.⁴⁵ In 2005, when the conference was held in Seattle, the *Seattle Times* reported, “To help cover the convention’s entertainment costs, the Legislature two years ago approved an exemption in the state ethics law allowing lawmakers to solicit unlimited contributions from businesses and special interests. Normally, lawmakers can’t accept gifts of more than

³⁸ National Association of State Auditors, Comptrollers, and Treasurers. “NASACT Corporate Associates Program.” Retrieved 13 August 2012, from <http://www.nasact.org/nasact/corporate/downloads/cap.pdf>; Interview with Kinnie Poynter, NASACT, 7/18/2012.

³⁹ Interview with Shemika Spencer, NASEO, 7/16/2012.

⁴⁰ National Association of State Energy Officials. “NASEO Affiliate Membership Program.” Retrieved 13 August, 2012, from http://www.naseo.org/members/affiliates/membership_program.htm

⁴¹ Interview with Spencer, NASEO

⁴² Interview with Lawniczak, NAST.

⁴³ Interview with Kore Donnelly, NAST. 7/17/2012.

⁴⁴ This statement is no longer on NAST’s website as of 4 October 2012. Previously, the statement was found at: National Association of State Treasurers. “Corporate Affiliates.” Retrieved 25 July, 2012, from <http://www.nast.org/corporat.htm>. This

⁴⁵ Blaskey, Sarah and Steve Horn. (16 May 2012). “Uncovering the Other ALECs.” Retrieved 8 August 2012, from <http://truth-out.org/news/item/9033-subverting-the-statehouse-uncovering-the-other-alecs>; Ross, Brian et al. (20 October 2010) “Top Federal Prosecutor Vows Crackdown on Corrupt State Legislators.” *ABC Nightline*. Retrieved 8 August 2012, from http://abcnews.go.com/Blotter/top-federal-prosecutor-vows-crackdown-corrupt-state-legislators/story?id=11926099&singlePage=true#.UCJ8s_n-xl1.

\$50.”⁴⁶ The NCSL’s website describes the following networking opportunities for its highest level sponsors (\$25,000): participation in the annual standing committee new officer orientation session; regular forums with NCSL officers and NCSL standing committee officers; opportunity to suggest topics to standing committee officers; opportunity to attend NCSL Executive Committee subcommittee meetings; and invitations to attend receptions and dinners with legislative leaders at yearly NCSL leadership meetings.⁴⁷ Corporations may get the most access to members not at these official events, but instead at the various events they sponsor outside of – but concurrent to – the official conference events. The Seattle Times found that corporations contributed \$1.3 million to be spent on outside social events at the 2005 conference.⁴⁸ According to the NCSL Director of Public Affairs, while sponsors may hold other events while at the conference, these are not sanctioned by or assisted by the association.⁴⁹

A National League of Cities (NLC) official described one of the benefits of corporate sponsorship as “networking and building relationships with officials.” While she said that these opportunities were no different from those open to the public, “some obviously have fees.” As well, sponsors “get some more exclusive opportunities to network with our leadership...[such as] cocktail parties.” (See below for comparison to public access.) NLC materials describing the benefits of corporate partnership refer to opportunities for “substantive engagement and connection to leaders.”⁵⁰ Partners have “exclusive access to the voluntary leadership and target member groups at NLC conferences and special VIP events.” Further, “NLC staff work closely with [corporate partners] to understand your organization’s needs, connect you with the issues and people that matter and maximize your investment with the nation’s cities.”⁵¹

The National Governors Association’s (NGA) corporate fellow program describes one of its benefits for corporations as “opportunities for in-person discussion with senior NGA executives and policy experts.” Members and corporate fellows are able to collaborate in “a bipartisan environment with national policy experts who work directly with governors’ top policy advisors.”⁵² One journalist described the 2012 NGA annual summer meeting as

⁴⁶ Thomas, Ralph. (15 August 2005). “Legislators (and lobbyists) convene in Seattle.” *The Seattle Times*. Retrieved 9 August 2012, from <http://community.seattletimes.nwsource.com/archive/?date=20050815&slug=ncsl15m>.

⁴⁷ National Conference of State Legislators. “Sponsorship Benefits.” Retrieved 8 August 2012, from <http://www.ncsl.org/about-us.aspx?tabs=1027,82,571>.

⁴⁸ Thomas, Ralph. (15 August 2005). “Legislators (and lobbyists) convene in Seattle.” *The Seattle Times*.

⁴⁹ Interview with John Kuhl, NCSL, 7/6/2012.

⁵⁰ Interview with Cynthia Cusick, NLC, 7/18/2012.

⁵¹ National League of Cities. “Corporate Partnership Benefits.” Retrieved 14 August 2011, from <http://www.nlc.org/File%20Library/Corporate%20Programs/2012-Corporate-Partner-Benefits.pdf>.

⁵² National Governors Association. “NGA Corporate Fellows Program.” Retrieved 4 October 2012, from <http://www.nga.org/files/live/sites/NGA/files/pdf/NGACORPORATEFELLOWSBROCHURE.PDF>.

including “closed door luncheons for corporate fellows,” including a luncheon with senior advisers to governors.⁵³

The National Sheriffs Association’s (NSA) director of corporate relations described its sponsorship program as helping “companies increase their exposure with the sheriffs.”⁵⁴ The association’s materials about their corporate partnership program focus on marketing potential for companies, but also mention “increased visibility” more broadly as a perk for sponsors.⁵⁵

In an open letter to businesses appearing on the United States Council of Mayors (USCM) Business Council website, Tom Cochran, CEO and executive director of the USCM, writes, “Through the creation of The Mayors Business Council, we have transformed our organization to bring corporate America even closer to the Mayors of our nation.” The letter is accompanied by a picture of Tom Donohue, President and CEO of the U.S. Chamber of Commerce.⁵⁶ The association’s website describes the USCM Winter Meeting, which is held in Washington D.C. This meeting has “the participation of the President of the United States, White House and Cabinet officials, Congressional leaders, and national and international business and civic leaders.” Members of the Mayors Business Council participate in both the Winter Meeting and the Annual Conference, held in rotating locations. At both conferences, corporate sponsors participate in “special sessions with Conference leadership.” Additionally, “Business Council members may be invited to present their views through a dialogue with Mayors at various forums as appropriate.”⁵⁷

Open to the public?

Association spokespeople sometimes minimize the vast access to their members that corporations receive in exchange for their sponsorship by arguing that this access is no different than what is available to the general public. National League of Cities (NLC) spokesperson Cynthia Cusick said that corporate opportunities to interact with members are “not any different than what anybody else can do [because] meetings are open to the public.” She acknowledged, “Some obviously have fees.” Complementary registrations are provided for corporate sponsors. NLC conference registration fees for non-members cost up to \$930. Cusick said that approximately 25 of the 3000 attendees at the conferences are typically citizens and citizen activists, as well as representatives of other companies that

⁵³ Lewis, Bob. (8 July 2012) “Governors’ bash in Williamsburg mostly closed to public.” In *The Virginian-Pilot*. Retrieved 4 October 2012, from <http://hamptonroads.com/2012/07/us-governors-bash-williamsburg-mostly-closed-public>.

⁵⁴ Interview with Killpack, NSA.

⁵⁵ <http://www.sheriffs.org/content/corporate-partnership-information>

⁵⁶ The United States Conference of Mayors. (2011). *The Mayor’s Business Counsel: A Business Opportunity*.

⁵⁷ United States Conference of Mayors. “The Mayors Business Council – A Business Opportunity.” Retrieved 4 October 2012, from <http://www.usmayors.org/buscouncil/opportunity.asp>.

are not sponsors. The NCSL's spokesperson also noted that meetings are open to the public, claiming that no additional access is available to sponsors (outside of events that occur concurrently to the conference, for which the NCSL takes no responsibility).⁵⁸ Registration fees for government, universities, or charitable organizations cost up to \$1095, and for businesses, unions, and all others fees, they cost up to \$1265. NASS meetings are open to the public, with fees for academics and members of the general public is up to \$500.⁵⁹ NACO meetings are also open to the public. Registration fees for the annual conference range from \$740 to \$875 for non-corporate attendees.⁶⁰ CSG's national meetings are open to the public. Registration fees for those who are not state government officials or their staff members range from \$425 to \$1100. Media attend free.⁶¹ These sorts of fees are not accessible to the average citizen. Several other associations including the NGA and the IACP have meetings that are closed to the public.

Association representatives deny undue influence of sponsors

When asked if association members' policy or procurement decisions were influenced by the presence of sponsors, most representatives we spoke with vigorously denied this possibility. For example, Kinnie Poynter, the executive director of the National Association of State Auditors, Comptrollers, and Treasurers (NASACT) said that corporate associates (sponsors) "share best practices that they see out in the private sector...but whether or not the state adopts them is entirely up to them."⁶² Similarly, Jim McMahon, the deputy director of the International Association of Chiefs of Police (IACP) noted that when he was Superintendent of the New York State Policy Department and attended IACP conferences, he was never influenced by the interactions he had by sponsors.⁶³ The National Association of State Energy Officials' (NASEO) director of member services said that the association's members are not policy decision makers, and instead are charged with implementing policies. Asked if they make procurement decisions, she said that this varied from state to state.⁶⁴

Restrictions on marketing and sales to members

NASEO and NAST have rules prohibiting direct marketing by sponsors to association members, while IACP has a "no selling" rule at their conference.⁶⁵ NASACT sponsors must sign a speaker letter of agreement if they are to appear on the program for the association's conference. The agreement requires them to acknowledge that the conference is a

⁵⁸ Interview with Cynthia Cusick, NLC.

⁵⁹ Personal correspondence with Stacy Dodd, NASS.

⁶⁰ Personal correspondence with Tylette Wilson, NACo, 8/8/2012.

⁶¹ Council of State Governments. "CSG National Conference 2012, Online Registration Form." Retrieved 12 October 2012, from <https://secured.csg.org/csg/national2012/>.

⁶² Interview with Kinnie Poynter, NASACT, 7/18/2012.

⁶³ Interview with James McMahon, IACP, 7/23/2012.

⁶⁴ Interview with Spencer, NASEO.

⁶⁵ Interviews with Lawniczak, NAST and Sehmika Spencer, NASEO.

continuing education opportunity. According to Poynter, “Out and out marketing is not allowed.” NASACT sponsors can present white papers at the conference and may be able to conduct webinars on these topics. Data for white papers may come from surveys of NASACT members, which the highest level of sponsorship allows for. Although the papers are substantive, the companies that undertake the research for these papers clearly have an interest in the conclusions of the studies. The recommendations implicitly direct members to use the sponsors’ products.⁶⁶ The National Association of Secretaries of State (NASS) sponsors also present “white papers” on topics relevant to the association, which must not be marketing pitches.⁶⁷

In contrast, the NLC touts the marketing opportunities that participation in NLC conferences offers. Corporate partners can market by sponsoring “high visibility events” at the conference and reach their target markets directly, using discounted mailing lists and labels to pinpoint your message and reach elected and career officials with your targeted message.⁶⁸ Nonetheless, an NLC representative said that the association makes clear to sponsors that “return on investment should not be number of sales or sale contacts made. We are strong about the need to focus on exchange of educational information and acting as a resource or experts.”⁶⁹ Also forthright, the NSA describes its corporate sponsorship program as an opportunity for businesses that supply products, information, or services to sheriffs to gain an advantage over competitors.⁷⁰ The National Association of County Officials’ (NACo) corporate sponsors can distribute communications regarding their products and services to the association’s membership.⁷¹

V. Financial Contributions

Corporations contribute varying amounts to the associations, with some associations offering a tiered model of dues and others offering a single rate. Although most associations make public the fees for sponsorship, these figures do not include the amount corporations may spend organizing parallel events during conferences or providing other perks to officials while they attend the conference.

⁶⁶ Interview with Kinnie Poynter, NASACT. For examples of white papers, see <http://www.nasact.org/nasact/publications/papers.cfm>.

⁶⁷ Interview with Stimson, NASS.

⁶⁸ National League of Cities. “Corporate Partnership Benefits.” Retrieved 14 August 2012, from <http://www.nlc.org/File%20Library/Corporate%20Programs/2012-Corporate-Partner-Benefits.pdf>.

⁶⁹ Interview with Cusick, NCSL.

⁷⁰ National Sheriffs’ Association. “Corporate Partnership Information.” Retrieved 14 August, 2012, from <http://www.sheriffs.org/content/corporate-partnership-information>

⁷¹ National Association of County Officials. (2012). “2012 NACo’s Premier Corporate Membership Program.” Retrieved 14 August, 2012, from <http://www.naco.org/about/corporate/Documents/PremierMembership2012.pdf>.

Figure 2: Corporate Sponsor Dues

Association	Sponsor Dues	Total Revenue from Corporate Sponsorship	Total Revenue
Association of State Health Officials (ASTHO)	\$15,00072	\$105,000-180,000	\$15,000,000-\$20,000,00073
Council of State Governments (CSG)	\$600074	2.13% of budget comes from associates; 9.46% comes from sponsorships (usually from associates, but not always).75	\$35,779,96376
International Association of Chiefs of Police (IACP)	\$5000 – \$66,600	\$216,548	\$224,89677
National Association of Counties (NACo)	\$25,00078	Calls to association were not returned.	Calls to association were not returned.
National Association of Secretaries of State (NASS)	\$5000 – \$20,000	\$129,124	\$385,98279
National Association of State Auditors, Comptrollers, and Treasurers (NASACT)	Unspecified.	\$403,500	\$2,593,40280
National Association of State Energy Officials (NASEO)	\$2,500 – \$5,00081	\$75,000	\$2,000,00082
National Association of State Treasurers (NAST)	\$1000 - \$5,40083	\$561,750	\$2,104,00084
National Conference of State Legislatures (NCSL)	\$7,500 - \$25,00085	\$1,965,500	\$1,965,95486
National League of Cities (NLC)	\$15,000 - \$50,00087	\$750,000	\$18,000,00088
National Governors Association	\$20,00089	\$2,923,530	\$22,093,80590

⁷² Association of State and Territorial Health Officials. (2009) "ASTHO Corporate Alliance Program Application." Retrieved 14 August 2012, from <http://www.astho.org/Display/AssetDisplay.aspx?id=884>.

⁷³ Approximate ranges for revenue. Interview with Jarris, ASTHO.

⁷⁴ Council of State Governments. "CSG Associates Program." Retrieved 10 October, 2012, from <http://www.csg.org/about/associates.aspx>.

⁷⁵ Revenue disclosed as percentage of budget. Interview with Arnold, CSG.

⁷⁶ CSG 990 forms, 2011.

⁷⁷ All figures are for the IACP Foundation. The IACP also has conference sponsors that are not included in these figures. Source: Foundation of IACP 990 forms, 2009, provided by IACP.

⁷⁸ National Association of County Officials. "Premier Corporate Membership Program." Retrieved 4 October 2012, from <http://www.naco.org/about/corporate/Documents/PremierMembership2012.pdf>.

⁷⁹ Correspondence with Stacey Dodd.

⁸⁰ National Association of State Auditors, Comptrollers and Treasurers. (2011). "NASACT Comprehensive Annual Financial Report." Retrieved 14 August 2012, from http://www.nasact.org/nasact/aboutus/downloads/Financials/2011_CAFR.pdf

⁸¹ National Association of State Energy Officials. "NASEO Affiliate Membership Program." Retrieved 13 August, 2012, from http://www.naseo.org/members/affiliates/membership_program.htm

⁸² Total revenue and budget numbers are approximate. Interview with Spencer, NASEO.

⁸³ National Association of State Treasurers. "Corporate Affiliates." Retrieved 4 October 2012, from <http://jjcdev.com/~nast/index.php?section=corporate-affiliates>.

⁸⁴ Total revenue and total revenue from corporate sponsorship affiliates via personal email communication with Jon Lawniczak, NAST, 07/17/2012.

⁸⁵ National Conference of State Legislators. "Sponsorship Benefits." Retrieved 8 August 2012, from <http://www.ncsl.org/about-us.aspx?tabs=1027.82.571>.

⁸⁶ Revenue for NCSL Foundation. Revenue for NCSL as a whole unavailable. NCSL foundation also reports receiving "awards" in the amount of \$1,436,915. It does not include these awards in its calculation of total revenue." National Conference of State Legislators. "Annual Report, July 1, 2012 – June 30, 2011." Retrieved 14 August 2011, from <http://www.ncsl.org/portals/1/documents/fsl/AnnRprt11.pdf>

⁸⁷ National League of Cities. "Corporate Partners Program." Retrieved 4 October 2012, from <http://www.nlc.org/corporate-engagement/corporate-partners-program>.

⁸⁸ Approximate numbers from Interview with Cusick, NLC.

(NGA)				
National Sheriffs Association (NSA)	\$1,500 - \$5,00091	Association refused to provide information.	Association refused to provide information.	
United States Conference of Mayors (USCM)	\$15,00092	Calls to association were not returned.	Calls to association were not returned.	

VI. Ethical Guidelines

Only a few associations have a specific set of ethical guidelines to which they ask their members and corporate sponsors to adhere. For those with such guidelines, enforcement mechanisms are unclear.

Many association spokespeople suggested that members were bound by ethical guideline attached to the offices that they occupy. As a result, they said, no additional ethical guidelines for the association were in place. This sentiment was expressed by representatives of National Association of State Energy Officials (NASEO), the National Association of State Treasurers (NAST), and the National Association of State Auditors, Comptrollers and Treasurers (NASACT).⁹³ NAST's Corporate Affiliate Guidelines note: "Most states have ethics laws, rules and policies restricting gifts and contributions to Treasurers and their staff. It is critical to learn these policies and abide by them."⁹⁴ NAST also states on its website, "Corporate Affiliate membership does not constitute an endorsement of the affiliate or any of its practices or products by the National Association of State Treasurers. Corporate Affiliate members may not state or suggest, either directly or indirectly, that NAST authorizes, attests or approves of any product or practice of a Corporate Affiliate."⁹⁵ A representative of the Council of State Governments stated, "All the states have different ethics laws. It's up to each individual member to know their states ethics laws." She also noted that the organizations Bylaw rules place limits on members participation on committees (see Access to Members subsection above).

The director of NLC's office of corporate affairs explained, "We have established boundaries, [We] have a firewall between our corporate partners and our policy work." She described "a very strong line that separates corporate partners from policy decisions

⁸⁹ Lewis, Bob. (8 July 2012) "Governors' bash in Williamsburg mostly closed to public."

⁹⁰ National Governors Association. (2010). "National Governors Association and National Governors Association Center For Best Practices." Retrieved 14 August 2012, from <http://www.nga.org/files/live/sites/NGA/home/about/financial-statements/col2-content/nga-financial-statements/2010%40/10NGAFINANCIALREPORT.PDF>

⁹¹ National Sheriffs' Association. "Corporate Partnership Information." Retrieved 14 August 2012, from <http://www.sheriffs.org/content/corporate-partnership-information>

⁹² United States Council of Mayors. "The Mayors Business Council Application." Retrieved 14 August 2012, from <http://usmayors.org/buscouncil/application.pdf>.

⁹³ Interviews with Spencer, Lawniczak, and Poynter.

⁹⁴ National Association of State Treasurers. "Corporate Affiliate Guidelines." (Provided by NAST upon request.)

⁹⁵ National Association of State Treasurers. "Corporate Affiliate Membership Information." Retrieved 4 October 2012, from http://ijcdev.com/~nast/index.php?section=corp_affiliates_membership.

making.”⁹⁶ NLC articulates its policy on its website in the following way: “Corporate Partners will not have preferred access to NLC’s policy development process or be directly involved in the development of policy positions that guide NLC’s federal advocacy on behalf of cities and towns. Corporate Partners will not be provided speaking opportunities at annual conference general sessions or major social events by virtue of their participation as a corporate partner or their sponsorship of an event.”⁹⁷ While the NLC has more comprehensive ethical guidelines than other organizations, the director noted that there is no “policing” of these guidelines.⁹⁸

ASTHO’s Corporate and Foundation Relationship Protocol is the most explicit statement of ethical principles of all of the associations reviewed in this report. The association states that it “will remain objective, regardless of any support or relationship. Program content will not be influenced by financial or other supporters.” Further, “ASTHO will not accept support from companies in return for access to policy-makers or other favors for the company’s gain or benefit.”⁹⁹ In order to enforce these guidelines, the association is structured in such a way that policy decisions and corporate involvement are kept separate, says its executive director.¹⁰⁰

The NGA has no written ethical guidelines.¹⁰¹ An NCSL representative stated that there were “no ethical issues [arising out of the corporate sponsorship program] because money [sponsors] give doesn’t go directly to the legislators or campaigns, and because there participation is no different than other members of the public, media.”¹⁰²

ASTHO and the IACP have restrictions regarding who they will accept money from (see above). Similarly, as discussed earlier, some associations have restrictions on corporate sponsors directly selling or marketing products to members.

VII. Conclusions and Commentary

Associations of elected and other governmental officials offer convenient avenues for corporations to interact with key government decision makers. These interactions are virtually unconstrained by ethical guidelines established by the associations. While officials may have a set of guidelines that they must adhere to by virtue of the offices they hold, in

⁹⁶ Interview with Cusick, NLC.

⁹⁷ National League of Cities. “Corporate Partners Program.” Retrieved 17 August 2012, from <http://www.nlc.org/corporate-engagement/corporate-partners-program>.

⁹⁸ Interview with Cusick, NLC.

⁹⁹ Association of State and Territorial Health Officials. “Corporate and Foundation Support and Relationship Protocol.” Retrieved 17 August 2012, from <http://www.astho.org/Display/AssetDisplay.aspx?id=5869>.

¹⁰⁰ Interview with Garris, ASTHO.

¹⁰¹ Correspondence with Jodi Omeear, NGA, 7 August, 2012.

¹⁰² Interview with Kuhl, NCSL.

some cases state association meetings provide opportunities to bypass the normal rules to which they are beholden.

Although most deny that their corporate sponsors wield any undue influence over either individual officials or the associations as a whole, in practice many associations pitch their sponsorship programs as opportunities for “access.” Associations build plentiful “networking” opportunities into their conferences, allowing corporate sponsors exclusive opportunities to interact with association members. Further, many corporate sponsors host events that are not officially part of the association conferences, but happen in the same location, at the same time. These sometimes lavish events offer further opportunities for corporate sponsors to woo elected officials and other government decision makers, without concern for the existing ethical guidelines and lobbying rules that might otherwise apply.

Few of the associations discussed in this report have any restrictions on which companies qualify as sponsors. The NCSL takes money from corporate wrongdoers like BP, from alcohol makers Diageo and Anheuser-Busch, and from a host of pharmaceutical companies. The NGA is similarly well lubricated by Big Pharma, the energy industry, and the health insurance industry.

Financial service providers, tech giants, telecommunications firms, pharmaceutical companies, energy companies, and defense industry companies all have a vested interest in the types of decisions members of these associations make – which is why they are more than willing to pay what will amount to a paltry sum relative to the valuable access they are able to secure. In addition, companies that rely on governmental contracts to sustain their business essentially buy an opportunity to market to officials, which gives them a leg up when it comes time to bid on an RFP. These companies are provided with opportunities to not only pitch their products in a traditional way, but also to appear authoritative by sitting on panels at conferences or circulating white papers to association members.

Claims that corporate sponsors receive no special access beyond that which average citizens are entitled to are disingenuous. Even where associations’ conferences are open to the public, the costs of attending are often prohibitive, and many events are open only to corporate sponsors and association members. Moreover, it is not only through conference participation that corporations are able to exert their influence.

There is no doubt that corporate sponsors are getting what they pay for: the ears of decision makers whose decisions will have a direct impact on their bottom lines. Meanwhile, the voices of average citizens are increasingly drowned out, with corporate interests instead of public interest guiding government decisions and actions.

The associations discussed in this report serve legitimate purposes. The opportunity for officials to exchange ideas and best practices has the potential to yield innovative solutions to commonly faced problems and, in turn, to improve the lives of citizens. In order for these organizations to repair their credibility and serve as mechanisms that promote citizens' interests, they must put a stop to unethical corporate sponsorship programs. While there may be reasons for government officials to collaborate with the private sector, corporate sponsorship programs of the varieties described above are not necessary for this collaboration to take place. Well-meaning corporations can surely contribute their ideas to government without purchasing special access to decision makers, as is essentially the case where corporate sponsorship programs are concerned. And, if government officials rely on the expertise of corporate partners, these partners presumably would provide such expertise without paying to do so. As it stands, corporate sponsorship programs for these organizations function primarily as lobbying opportunities by another name.

VIII. Appendix: Associations' Corporate Sponsors¹⁰³

Association of State and Territorial Health Officials (ASTHO)¹⁰⁴

Corporate Alliance Participants

Abbott	STC
Esri	Target
Merck	Vertex
Northrup Grumman	

The International Association of Chiefs of Police (IACP)¹⁰⁵

Private Sector Partners

Lockheed Martin	Motorola
Target	Intrado Inc.
Blauer	

¹⁰³ All associations had public lists of sponsors except for the Council of State Governments (CSG), which would not disclose its corporate associates.

¹⁰⁴ Provided by ASTHO on request.

¹⁰⁵ International Association of Chiefs of Police. "Our Private Sector Partners." Retrieved 24 July, 2012, from <http://www.theiacp.org/Foundation/PartnersEvents/tabid/523/Default.aspx>.

National Association of Counties (NACo)¹⁰⁶

Premier Members

Alcatel-Lucent	Anga	AT&T
CGI	Cisco	Comcast
Darden	Daston	Esri
Heery	IBM	Kodak
Microsoft	Motorola	NEC
Netsmart	OnBase	Oracle
Parsons	SAIC	Siemens
Symantec	Unisys	Verizon
Xerox		

National Association of State Auditors, Comptrollers and Treasurers (NASACT)¹⁰⁷

Corporate Associates

CGI	Oracle	Deloitte
GrantThornton	Microsoft	SAP
Accenture	MasterCard	Infor
Bronner	Navigant Consulting	Kronos
CherryRoad Technologies, Inc.	US Bank	McGladrey, LLP
Clifton Larson Allen	Visa	Sjoberg Evashenk Consulting
IBM	CedarCrestone	Standard & Poor's
ISG (Information Services Group)	Citi	The Hackett Group
KPMG	Ernst & Young, LLP	

National Association of State Energy Officials (NASEO)¹⁰⁸

Affiliate Members

AABC Commissioning Group (ACG)	Conservation Services Group	OurEnergyPolicy.org
Abundant Power Group	Constellation Energy	PEPCO Energy Services, Inc.
Advanced Energy	Earth Advantage Institute	Philips Lighting
Affordable Comfort, Inc.	Edison Electric Institute	Polyisocyanurate Insulation Manufacturers Association
Air Conditioning Contractors of America (ACCA)	Electric Power Research Institute	Renewable Energy and Energy Efficiency Authority
Air-Conditioning, Heating, and Refrigeration Institute (AHRI)	Energy Platforms, LLC	SAIC Energy Environment & Infrastructure, LLC

¹⁰⁶ National Association of Counties. "Premier Membership." Retrieved 24 July, 2012, from <http://www.naco.org/about/corporate/Pages/PremierMembership.aspx>

¹⁰⁷ National Association of State Auditors, Comptrollers and Treasurers. "Corporate Associations." Retrieved 25 July, 2012, from <http://www.nasact.org/nasact/corporate/index.cfm>.

¹⁰⁸ National Association of state Energy Officers. "NASEO Affiliate Members." Retrieved 25 July, 2012, from <http://www.naseo.org/members/affiliates/default.aspx>.

Alliance to Save Energy	Energy Resources Center	Schneider Electric
American Council for an Energy-Efficient Economy (ACEEE)	Energy Services Coalition	Solar Electric Power Association
American Council on Renewable Energy (ACORE)	EnerNOC	Southern States Energy Board
American Gas Association	General Electric (GE)	Spray Polyurethane Foam Alliance (SPFA)
American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE)	ICF International	SRA International
Association for Demand Response and Smart Grid (ADS)	Johnson Controls	SunRun, Inc.
Building Performance Institute, Inc.	Knauf Insulation	The Dow Chemical Company
Cadmus Group Inc.	Metal Building Manufacturers Association (MBMA)	The Weidt Group
Chevron Energy Solutions	National Energy Education Development	Vermont Energy Investment Corporation (VEIC)
Concord Servicing Corporation	National Insulation Association	Wal-Mart Stores, Inc.
ConEdison Solutions	North American Insulation Manufacturers Association	

National Association of Secretaries of State (NASS) ¹⁰⁹

Corporate Affiliates

Alabama Power	LegalZoom.com, Inc.
Bell and Howell, LLC	ManTech International Corp.
Bloomberg BNA	Microsoft Corporation
Comcast	National Corporate Research
CT Corporation	NIC
Datacard Group	PCC Technology Group
DataStream Content Solutions	PropertyInfo Corporation
Democracy Live	Runbeck Election Services, Inc.
DOT Registry, LLC	Scytl Secure Electronic Voting
Dun & Bradstreet	Target Corporation
Election Systems & Software	Tecuity Inc.
Everyone Counts, Inc.	Unisyn Voting Solutions, Inc.
FileONE, Inc	VOTEC
Hart InterCivic	WEST a Thomson Reuters Business
HP Enterprise Services	Wolters Kluwer Law & Business
Kansas.gov	Wyle Laboratories

¹⁰⁹ National Association of Secretaries of State. "About the Corporate Affiliate Program." Retrieved 25 July, 2012, from http://www.nass.org/index.php?option=com_content&view=article&id=63&Itemid=384.

National Association of State Treasurers (NAST) ¹¹⁰

Corporate Affiliate Members

AKF Consulting Group	Heller Advisory	QED Financial Systems Inc
AllianceBernstein	Holland Capital Management LLC	Raymond James Margan Keegan
Allianz Global Investors	INVESCO	Rothschild Asset Management
American Century Investments	J.P.Morgan	Saxena White P.A.
Anchor Capital Advisors, LLC Investment Resources, LLC	Jefferies & Company, Inc.	Standard & Poor's
Appleton	K2 Advisors, L.L.C.	State Street Corporation
Berman DeValerio	Keane	Stifel Nicolaus
Brandywine Global Investment Management	Kelmar Associates, LLC	TD Bank
Citi Global Transaction Services	Kohlberg Kravis Roberts	The Carlyle Group
Cohen Milstein Sellers & Toll PLLC	Lazard Asset Management	The Hartford
Cushing MLP Asset Management	Lee Munder Capital Group	The Vanguard Group
DAVO Financial Services	Legg Mason Investor Services	TIAA-CREF
EnTrust Capital, Inc.	LexisNexis Risk Solutions	Timberland Investment Resources
Federal Home Loan Banks - Office of Finance	Lynden Lyman, Unclaimed Property Advisor	Titan Advisors LLC
Federated Investors	Morgan Stanley	Top Tier Capital Partners
Fidelity Investments Institutional Services Company, Inc.	NAREIT	Treasury Services Group
Financial Research Corporation	NCH Capital Inc.	UBS Global Asset Management
FirstSouthwest	Neosho Advisors LLC	VERIBANC, Inc.
Fitch Ratings	Northern Trust	Vining Sparks IBG, L.P.
Fortress Investment Group (FIG)	Nottingham Investment Administration	Wellington Management Company, LLP
GE Asset Management	OppenheimerFunds Inc/OFI Institutional	Wells Fargo Bank, N.A.
Grosvenor Capital Management, L.P.	Pegasus Capital Advisors	Western Asset Management Co.
Guggenheim Partners, LLC	Profit Investment Management	Wilshire
Hastings Funds Management	Public Financial Management (PFM)"	Wolf Popper LLP
		Xerox

¹¹⁰ Provided by NAST upon request. Correspondence with Kore Donnelly, NAST, 8 October, 2012.

National Conference of State Legislatures (NCSL) ¹¹¹

Platinum Sponsors (\$25,000)

1-800 CONTACT, Inc	Esri
AT&T	Institute of Scrap Recycling Industries, Inc.
America's Natural Gas Alliance	Mylan
Astellas Pharma US, Inc.	National Education Association
AstraZeneca Pharmaceuticals	Nuclear Energy Institute
Comcast Cable Communications	Time Warner Cable
CVS Caremark Corporation	Visa
Entertainment Software Association	Walmart

Gold Sponsors (\$12,500)

AARP	Crown Cork & Seal Company, Inc.	Nestlé USA
ADM	Daiichi Sankyo, Inc.	Novartis Pharmaceuticals
Aflac	Darden Restaurants, Inc.	Novo Nordisk
Aircraft Owners and Pilots Association	Dell Inc.	Pfizer, Inc.
Alliance of Automobile Manufacturers	Deloitte	Pharmaceutical Research & Manufacturers of America
America's Credit Unions	Design-Build Institute of America*	Philips Electronics
American Association for Justice	Edison Electric Institute	Procter & Gamble Company
American Bankers Association	Emdeon	Property Casualty Insurers Association of America
American Beverage Association	Energy Future Holdings	SICPA
American College of Cardiology	ExxonMobil	Salt River Project
American Council of Life Insurers	Food Marketing Institute*	SAS Institute, Inc.
American Federation of State, County & Municipal Employees	GM	Service Employees International Union

¹¹¹ National Conference of State Legislatures. "Sponsorship List." Retrieved 4 October 2012, from <http://www.ncsl.org/about-us.aspx?tabs=1027,82,573#573>

American Federation of Teachers	General Mills*	Society for Human Resource Management
American Forest & Paper Association	Generic Pharmaceutical Association	Sprint
American Gas Association	GTECH	State & Federal Communications, Inc.*
American Heart Association	HP	State Farm Insurance Companies
American Institute of Architects	Honeywell International Inc.	State Net, a LexisNexis Company**
American Optometric Association	IBM	Stateside Associates
American Society for Civil Engineers	International Council of Shopping Centers	T-Mobile
Amerigroup Corporation	Intuit	Takeda Pharmaceuticals U.S.A., Inc.
Amgen	Kraft Foods Global, Inc.	Target
Anheuser-Busch	The Lane Construction Corporation	Teva Pharmaceuticals USA
Apollo Group	Macy's, Inc.	TracFone Wireless, Inc.
BP America	Mars, Incorporated	U.S. Chamber of Commerce
Bayer HealthCare Pharmaceuticals	MasterCard Worldwide	Unilever United States, Inc.
Best Buy	MAXIMUS	Verizon Communications
Boehringer Ingelheim Pharmaceuticals, Inc.	McKesson Specialty Health	Walgreens
CTIA - The Wireless Association	Mead Johnson Nutrition	Watson Pharmaceuticals, Inc.
Capital One	Merck	Wells Fargo
Cargill	Microsoft Corporation	West, A Thomson Reuters business**
CenturyLink	National Association of Convenience Stores	Wine and Spirits Wholesalers of America, Inc.
Chevron	National Athletic Trainers' Association, Inc.	Yum! Brands, Inc.*
Cigna	National Beer Wholesalers Association	
The Coca-Cola Company	National Cable & Telecommunications Association	
Council On State Taxation	National Restaurant Association	

Cox Communications, Inc	National Retail Federation	
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Silver Sponsors (\$7,500)

AAA	CompTIA	National Association of Realtors
Agrium	Constellation Energy	National Electrical Manufacturers Association
Air-Conditioning, Heating & Refrigeration Institute	Diageo North America, Inc.	National Federation of Independent Business
Alliance for American Manufacturing	Diesel Technology Forum	National Rural Electric Cooperative Association
American Academy of Pediatrics	Dr Pepper Snapple Group	Personal Care Products Council
American Coalition for Clean Coal Electricity	eBay Inc.	Premier healthcare alliance
American Coatings Association	Education Management Corporation	Purdue Pharma L.P.
American Financial Services Association	Educational Testing Service	RAI Services Company
American Medical Association	Grifols Inc	Reed Elsevier
American Petroleum Institute	Hallmark Cards Incorporated	Republic Services, Inc.
American Specialty Health	HIMSS	Retail Industry Leaders Association
AmerisourceBergen	International Bottled Water Association	Securities Industry and Financial Markets Association
Ash Grove Cement Company	International Franchise Association	Sodexo
Association of American Railroads	International Paper	TIAA-CREF
Association of Global Automakers	Johnson & Johnson	Toyota Motor North America
BlueCross BlueShield Association	Mortgage Bankers Association	Transurban
Boston Scientific	MultiState Associates	UPS
Bristol-Myers Squibb Company	National Association of Chain Drugstores	
The Carpet & Rug Institute	National Association of Home Builders	

National League of Cities (NLC) ¹¹²

Capstone Corporate Partners

ESRI	International Council of Shopping Centers
The Home Depot Foundation	Visa
IBM	Wells Fargo
ICMA-RC	

¹¹² National League of Cities. "Learn about NLC Corporate Partners." Retrieved 4 October 2012, from <http://www.nlc.org/corporate-engagement/corporate-partners-program/corporate-partners>.

Corporate Partners

American Institute of Architects	Local Search Association	Target
AT&T	Microsoft	U-HAUL
Black & Veatch	MWH Americas	United Healthcare
CH2M HILL	National Association of Home Builders	UR Vehicle Management Solutions
CIGNA Healthcare	National Restaurant Association	U.S. Green Building Council
Citi Community Development	Parsons	Verizon
Comcast	Pioneer Credit Recovery	Walgreens
Darden	Inc.	Wal-Mart Stores
Edison International	Progress Energy	Inc.
Hyland Software	Safeguard Properties	Waste Management
Institute for Building Technology and Safety	Siemens	Inc.
International Bottled Water Association	Southwest	Weston Solutions
Johnson Controls		

National Governors Association (NGA)¹¹³

Corporate Fellows

3M Company	Endo Pharmaceuticals, Inc.	Norfolk Southern
Accenture	Educational Testing Service	Northrop Grumman
ACT	ESRI	Novartis Pharmaceuticals USA
Advanced BioHealing	Exelon Corporation	Novo Nordisk Inc.
Aetna	ExxonMobil Corporation	Oracle USA Inc.
Aflac	FMC Corporation	Pearson Education
Altria Client Services, Inc.	Ford Motor Company	Premier
Amazon.com	Genentech	Purdue Pharma
American Electric Power	General Electric Company	Pfizer
American Specialty Health	General Motors	The Procter & Gamble Company
Amerigroup	GlaxoSmithKline	Prudential Financial
Amgen	Golden Living	ResCare
AON Corporation	Grant Thornton	Sanofi-Aventis
Apple	Hallmark Cards, Inc.	SAS Institute Inc.
Applied Materials	Harley-Davidson Motor Company	SCAN Health Plan
ARAMARK Corporation	HDR, Inc.	Scantron
Astellas Pharma	Hewlett-Packard Company	Scholastic
AstraZeneca Pharmaceuticals	Hospital Corporation of America	Sodexo USA

¹¹³ National Governors Association. "List of Corporate Fellows." Retrieved 4 October 2012, from <http://www.nga.org/cms/cflist>

AT&T	Houghton Mifflin Harcourt Publishing Company	Software AG
Atria Senior Living	IBM Corporation	Southern Company
Bank of America	Intel	State Farm Insurance
Barrick Gold of North America, Inc.	Interface Americas	T-Mobile
Battelle	Intuit	Target
Best Buy Co., Inc.	Johnson & Johnson	TEVA Pharmaceuticals USA
Best Doctors	Kaiser Permanente	Thomson Reuters
Biogen Idec	Knowledge Universe	TIAA-CREF
Blue Cross Blue Shield	Kronos	Time Warner Cable
BP America	Level 3 Communications, LLC	TransCanada
Catalyst Rx	Louis Berger Group	Tyco International
Cerner Corporation	The McGraw-Hill Companies	Unilever United States
CIGNA	MAXIMUS	UnitedHealth Group
Cisco Systems	McKinsey & Company	Union Pacific Railroad
Citi	Medco	Verizon Communications
The Coca-Cola Company	Merck & Co., Inc.	Walgreen Co.
The College Board	MetaMetrics Inc.	Wal-Mart Stores Inc.
Comcast Corporation	Microsoft Corporation	WellCare Health Plans, Inc.
CCA	Molina Healthcare, Inc.	WellPoint, Inc.
CVS Caremark	Morgan Stanley	Williams
Daiichi Sankyo	Motorola Solutions	Wireless Generation
Daimler	Mylan Inc.	
DTE Energy	Nestle Waters North America	
Duke Energy	NIC, Inc.	
EMD Serono	Nike	

National Sheriffs' Association (NSA)¹¹⁴

Platinum Level Corporate Partners

ABL Management	Corrections Corporation of America	Athletics/Activities Leagues
Abraham Lincoln University	Elbeco, Inc.	Nixle
Aftermath, Inc.	Emergency Vehicle Restoration Ltd.	PayTel Communications Inc
Alliance Auto Gas	ExpertBail	PerSys Medical
Appriss Inc	Fiber Brokers International	Project Lifesaver International
APX Alarm	G4S Secure Solutions	Raytheon
ARAMARK Correctional Services	GEICO	Schlage
Armor Correctional Health Services, Inc.	Global Tel.Link	Spillman Technologies Inc

¹¹⁴ National Sheriffs' Association. "Corporate Partners." Retrieved 4 October 2012, from, <http://www.sheriffs.org/content/corporate-partners>. Gold and Silver level partners also listed on website.

Ashford University	Guardian Watch	Sprint
AT&T	Harley-Davidson Motor Company	TASER
Bethel University College of Criminal Justice	Harris Corp	Thomson-West
California Southern University	Henley-Putnam University	Trident University International (TUI)
California University of Pennsylvania	Herzing University	Union Supply Company/Food
Canteen Correctional Services	IntelliTime Systems Corporation	Express USA
Capella University	IPMA-HR	Verizon Wireless
Chrysler Group LLC	iWebVisit.com	Videofied-RSI Video
Columbia College	JWF Specialties	Technologies, Inc.
Columbia Southern University	Keefe Group	Walden University
Condor Aerial	Lewis University Online	Waldorf College
Correctional Healthcare Companies	National Association of Police	Wexford Health Sources Inc

The United States Conference of Mayors (USCM) ¹¹⁵

Mayor's Business Council

Platinum Members

American Beverage Association	Siemens
CUSP/DuPont	The Scotts Miracle-Gro Company
Linebarger Goggin Blair & Sampson LLP	Wal-Mart Stores, Inc.
Nationwide Retirement Solutions	Waste Management, Inc.
Partner America	Wells Fargo

Members

3M	HDR	Pearson
ABM	Holland & Knight LLP	Pepco Holdings, Inc. (PHI)
Aclara RF Systems Incorporated	Home Away	Philips Electronics North America
Akerman Urban Strategies, LLC	Honeywell	Purdue Pharma
Alvarez & Marsal	Hudson News	Recycle Bank
American Airlines	IBM	Safeguard Properties
American Chemistry Council	INTEGRIS Health	Science Applications International Corporation (SAIC)
American Express Company	Interface Americas	Sensus
American Institute of Architects	International Council of Shopping Centers	Service Employees International Union, CTW, CLC (SEIU)

¹¹⁵ The United States Conference of Mayors. "Business Connections." Retrieved 4 October 2012, from <http://usmayors.org/business/>; The United States Conference of Mayors. "The Mayors Business Council: Mayors Business Council Members." Retrieved 25 July 2012, from http://usmayors.org/buscouncil/list_members.asp?mode=mbc

American Management Services, Inc.	International Franchise Association	Shaw Environmental & Infrastructure Inc.
American Petroleum Institute	IPS Group, Inc.	Sodexo, Inc.
American Society of Civil Engineers	Itron, Inc.	Solutions 4 Cities
American Water	JPMorgan Chase & Co.	Sprint
America's Natural Gas Alliance	Keolis Transit America	Starbucks Coffee Company
AT&T	KHAFRA Engineering Consultants	Target Corporation
AutoReturn	Kronos	The Plastics Pipe Institute
Bank of America	Las Vegas Convention and Visitors Authority	The Scotts Miracle-Gro Company
Black & Veatch Corporation	Lion	The Sherwin-Williams Company
Catalyst Health Solutions, Inc.	Merge Healthcare	Thomson Reuters
CB Richard Ellis (CBRE)	Microsoft Corporation	Tremco Incorporated
CGI Communications	Morgan Stanley	U.S.Chamber of Commerce
CH2M HILL	Mortgage Bankers Association	Unisys Corporation
Chester Engineers, Inc.	Motorola	United Healthcare
Cisco Systems, Inc.	Mueller Water Products, Inc.	United Water
Citi Community Development	MWH, Inc.	Urban Air Initiative
Class Green Capital Partners, LLC	National Apartment Association	URS
Colonial Life	National Association of Realtors	Veolia Water North America
Comcast	National Urban League	Verizon Communications
Constellation Energy	Novelis	Visa, Inc.
Duncan Solutions	Oracle Corporation	VPS, The Vacant Property Specialists
Freddie Mac	Parsons Brinckerhoff	Walgreen Co.
General Electric	Parsons Corporation	XtraLight & Affiliates
General Motors Company	PayLock IPT LLC	