

Elevating Your Voice: Jennifer Carroll Foy's Plan to Fight Corruption in Politics

Dear Virginians,

As I built this plan, I thought about the reasons I am running for governor. The simple fact is, I want to serve the people the best way I know how. My grandmother taught me at a young age "if you have it, you have to give it." I've carried this lesson with me, as a foster mom, a public defender, a legislator, and now as I run for governor.

As elected officials, we're elected to reform health care, to fix the criminal justice system, to create an economy that works for all Virginians, and to carry out the will of the people. We are not elected to serve the special interests.

Let's be honest: special interests have dominated Richmond for too long. Special interests are the reason we overpay for prescription drugs. They're the reason we forego rehabilitation programs in favor of private, for-profit prisons. They're the reason why Dominion, the state's largest state-regulated utility and the state's largest corporate donor, has not been forced to return \$500 million in over earnings to Virginians, many of whom are struggling to pay their utility bills during the current economic and public health crises.

Virginia is one of only 11 states that allow individuals to donate unlimited sums to candidates — giving executives and lobbyists for the special interests the power to sway elections. When the candidates who are cozy with special interests win, all too often they let the rich and powerful continue to have an outsized influence on policy, leaving everyday Virginians behind. It's time to put the power back into the hands of the people.

This will be an administration that will listen to, represent, and serve the people, and we'll encourage all legislators and elected officials to do the same because it's a problem that must be solved together.

Constituents have a right to know who advises their representatives, and cozy relationships to lobbyists must end. We'll take action as an administration to stop the undue influence and corruption in our government.

We need to make Richmond work for everyone. In order to serve the people, elected officials need to *listen* to the people, not special interests.

Sincerely,

Jennifer Carroll Foy

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CAMPAIGN FINANCE REFORM

• Limit contributions by individuals, PACs and party committees to candidate committees in Virginia to the federal limit, currently \$2,900 per election

Virginia is one of only 11 states that allow individuals to give unlimited money to political candidates. This means that a small minority of people are able to exert disproportionate amounts of influence over the elected officials they've funded with massive donations. In the 2017 gubernatorial election, 26 individuals gave individual candidates contributions of more than \$100,000, with three of those giving over \$500,000 and one more than \$1 million. This reduces the voice of millions of Virginia voters to whom elected officials should be beholden, hijacking the government to work for the wealthy instead of the many.

To strengthen our democracy, we must get big money out of our political system. It's time for Virginia to adopt campaign finance limits that preserve the constitutional right of individuals to donate to political campaigns, but at levels that don't allow our legislative process to be purchased by the highest bidders.

We must institute limits on individual political contributions that mirror the federal limit, which stood at \$2,900 per election to candidate committees in the 2019-2020 cycle, with a mechanism to index that limit for inflation in future cycles.

Ban political contributions from corporations

In addition to allowing the rich to swamp our political process with as much money as they choose, Virginia also permits corporations to make unlimited political donations — one of only four states to do so.³ Corporations have pumped millions into our elections, having an outsized influence on our campaigns.

It's time to level the playing field and ban such corporate contributions entirely. Large companies with massive financial resources shouldn't get an elevated seat at the table, which is why the Federal Election Commission prohibits such donations in federal elections. We must join them so our elections can put Virginians first, rather than massive multinational companies.

LOBBYING REFORM

 Ban lobbyists, their immediate family members, and their employers from making political contributions to candidates.

Legislation and policy implemented in the Commonwealth of Virginia must arise from an equal playing field, driven by the needs of the people. Yet when lobbyists make political contributions

¹ 2019-2020 State Contribution Limits, National Conference of State Legislatures

² Top Donors – 2016-2017, Virginia Public Access Project

³ 2019-2020 State Contribution Limits, National Conference of State Legislatures

to help candidates get elected — contributions that could amount to hundreds of thousands or even millions of dollars — that equal playing field becomes drastically tilted. Large corporate interests backed by enormous profits are able to use their resources to gain advantage for legislation that serves their interests — no matter as to any harm it does to working people or small businesses.

For this reason, the American Bar Association has long urged political bodies to "separate the function of urging elected officers of government to take action from the function of raising funds for and transmitting money to those officers. Nothing so contributes to the perception of lobbyists as agents of corruption, rather than as public policy advocates, as the confounding of these two functions."

Other states have adopted measures that clamp down on this interaction. For instance, Kentucky law prohibits lobbyists from directly soliciting, controlling, or delivering a campaign contribution to a candidate or legislator. North Carolina and Tennessee have passed similar bans.

It's time for Virginia to follow suit and ensure that no lobbyist — or corporate client — is gaining undue influence in our Commonwealth's government through funding politicians' campaigns.

 Slow the revolving door by restricting legislators or state elected officials from lobbying for five years after leaving office

When Virginians see the work their legislators or statewide elected officials are doing in Richmond, they should be confident it's being conducted for constituents and not special interests. But all too often, Richmond lobbying firms hire state lawmakers after they leave office, introducing a clear conflict of interest for legislators who may be tempted by future employment prospects.

Currently, Virginia has one of the weaker cooling off periods in the nation, banning elected officials from becoming a registered lobbyist and lobbying their former colleagues for only one year after leaving office.8

We must strengthen this statute to reduce the influence of lobbyists attempting to sway legislators with lucrative job opportunities, while ensuring that those who serve in Richmond are truly driven by public service and the desire to improve their communities and Commonwealth, rather than future personal wealth.

By extending this one year cooling off period to five years, we will slow the revolving door between state lawmakers and the lobbying sector and strengthen good governance in our Commonwealth.

Require candidates and officeholders to disclose the names and clients of any lobbyist who
works on their political campaigns, paid or unpaid, or on transition teams for new officeholders.

⁴ "Lobbying law in the spotlight: Challenges and Proposed Improvements." Task Force on Federal Lobbying Laws, American Bar Association, 1/3/11

⁵ "Lobbyists still can't give gifts to Kentucky lawmakers, federal appeals panel rules." Louisville Courier Journal, 5/30/19

⁶ Summary of North Carolina Lobbying Law, North Carolina Center for Non-Profits, 1/11/19

⁷ "After Scandal, New Rules on Lobbying in Tennessee." New York Times, 2/7/06

⁸ Revolving Door Prohibitions, National Conference of State Legislatures

Virginians deserve to know who is working for the elected officials representing them - and to whom any such individuals may be beholden. Campaign jobs — whether paid or as an informal or volunteer advisor — are often a gateway to a legislative position in office if a candidate is successful; at the very least, individuals in such positions are gaining trust and familiarity with the future leaders of our Commonwealth, and building influence they might maintain down the road when the candidate is in office. That effect is magnified further when such an individual is advising a transition process for an incoming office holder.

These relationships should be publicized and detailed to reduce conflicts of interest and bring transparency to this process. Each Virginia campaign or transitioning officeholder will be required to publicly disclose any lobbyist who has worked with them in any capacity, as well as that lobbyist's clients, so that their constituents know who is advising them.

Update and modernize statutory definition of a "lobbyist" to include shadow lobbyists, requiring all who are engaged in de facto lobbying work to register as a lobbyist and disclose their activity.

Virginia defines a lobbyist as "an individual who is employed and receives payments" or "represents an organization, association, or other group for the purpose of lobbying."9 This definition then determines who must register as a lobbyist with the Commonwealth and thus disclose their lobbying activities.

However, this does not effectively capture all de facto lobbying activity, leaving significant instances of influence peddling to be conducted by individuals who do not meet this definition and thus are permitted to shield their activities from public view. For instance, it does not include individuals who are technically employed for purposes other than lobbying, but may still interact with elected officials in a manner that constitutes de facto lobbying. Similarly, state law exempts individuals who receive \$500 or less in compensation or reimbursements in a calendar year for lobbying activity. 10

As a result, state lawmakers encounter numerous individuals who exert their influence on behalf of special interests without ever being required to inform the public of such an interaction. This breakdown of transparency allows determined special interests to advocate for themselves without proper scrutiny, tilting the playing field against Virginia families.

It's time to update and modernize Virginia's lobbyist code and definitions to better encompass activities that truly represent lobbying interactions, yet are not required to be reported as such.

Enact a tax on excessive corporate lobbying and raise lobbyist registration fees. Use the proceeds to boost the resources of legislative staff to increase the independence of legislators from lobbyists.

Legislative staffers in Richmond - whether working for individual lawmakers, committees, or the non-partisan Division of Legislative Services - are the backbone of our Commonwealth's government. These staffers work hard on behalf of constituents and taxpayers to complete the difficult and exacting work of researching policy and writing legislative text for bills. Without them, our legislative process simply could not function.

^{2.2-419,} Code of Virginia

Unfortunately, many of these positions are underpaid and underfunded. And when lawmakers cannot rely on policy experts paid by and working for taxpayers to advise them on legislation, that vacuum is too often filled by lobbyists funded by wealthy special interests. When considering policy, our elected officials need access to the best unbiased information available, but when we starve our legislative research positions of the resources they need to complete that function, there is nothing to stand up to the talking points and lobbying of special interests.

We can fix this by funding legislative research positions to the levels needed to do excellent work crafting briefings and legislation to better our Commonwealth, and we can accomplish that by taxing excessive corporate lobbying activity and increasing lobbyist registration fees. This will ensure that the staffers serving Virginians have more influence.

Proposals at the federal level exist to tax excessive corporate lobbying that can be a model for us here in Virginia. Corporate entities, including trade groups, that spend between \$100,000 and \$200,000 per year on lobbying, calculated on a quarterly basis, will pay a 35% tax on those expenditures. For every dollar above \$200,000 spent on lobbying, the rate will increase to 60%. For every dollar above \$300,000, the tax will increase to 75%.

Based on data for the May 2019 to April 2020 lobbying year compiled by the Virginia Public Access Project,¹¹ this tax would have applied to 28 corporate entities in this period, which would raise nearly \$900,000 to counter the effects of corporate lobbying.

Additionally, Virginia charges lobbyists a \$100 annual registration fee when filing to lobby state government.¹² By increasing that fee to \$300, we would raise nearly \$600,000 annually based on the 2,865 registered lobbyists in the 2019-2020 lobbying year.¹³

In total, these measures would raise roughly \$1.5 million annually to strengthen the legislative research resources available to state policymakers.

¹¹ Lobbying Spending, Virginia Public Access Project

¹² Lobbyist Registration, Virginia Conflict of Interest and Ethics Advisory Council

¹³ Lobbying in Virginia, Virginia Public Access Project