



## Lobbying Scandal Blows in the Winds of Change

### A MEBA Q&A

*In the wake of the Jack Abramoff scandal, lobbying in the nation's capital has come under severe scrutiny. The disgraced lobbyist and his associate recently pled guilty of defrauding his clients out of millions of dollars in an effort to influence high-ranking members of Congress. Abramoff also traded campaign contributions, trips for lawmakers and other gifts in exchange for favors from certain members of Congress. As the scandal continues to widen with Abramoff now cooperating in the probe into corruption on Capitol Hill, Members of Congress are weighing various proposals to place curbs on lobbying.*

MEBA members may have questions about how our Union lobbies and how we will be affected by proposed reforms. We've prepared a list of questions and answers that may prove helpful.

**Q: How does the lobbying scandal affect our members' ability to give to MEBA's Political Action Fund?**

A: The scandal will likely not affect the members' ability to give at all. There are various proposals on how to reform lobbying rules on the Hill but indications are that Federal Election Commission guidelines (that regulate things like how much members can give to a political action committee) won't be changed. So far, proposals that have been bandied about in the name of lobbying reform would not affect the giving of "hard money" which covers money given out by MEBA's Political Action Fund.

**Q: How does the Abramoff scandal affect our lobbyists' ability to help promote the MEBA?**

A: It actually benefits the MEBA because many of the lobbying methods employed by Abramoff and others of his ilk are practices that our Union does not do – such as providing dinners, trips and gifts. Lobbying reform will likely shut down a lot of the corporate lobbyists that operate in this kind of fashion. Since it is likely that the rules affecting hard money contributions won't change, in effect, the playing field will be leveled somewhat putting us in a better position than we were before.

Currently there are a number of reform proposals coming from both sides of the aisle. Some proposals address changes in the dollar amount of gifts given to Members of Congress – currently it is \$50 per item and a \$100 total for the year. One proposal calls for changing the per gift amount to \$20. Another change, which has already passed, bars access to the House floor and gym to former members of Congress if they are registered lobbyists. There are a wide variety of different proposals to curb the perceived abuses. However, none of the lobbying methods that have come under fire in the scandal are tactics or practices used by the MEBA. Any reform would likely not affect the Union significantly – if at all.

**Q: How big is our P.A.F.? Are we influential?**

A: In terms of amount that we raise and give out we are in the top 100 nationwide. As far as maritime unions, we are number three behind the SIU and AMO.

We don't use any general union funds at all for lobbying (soft money) – every dime that we give in terms of lobbying and in terms of political fundraising is all hard money that was voluntarily contributed to the P.A.F. We have made that a policy and can operate effectively without spending dues money on politics.

**Q: How can I contribute? Do I have to be a member?**

A: You should be a member, applicant, retiree or employee of the Union in order to give to the P.A.F. We don't typically accept money from other people. We can accept it but don't solicit it from other people.

Our members and retirees can help fight for MEBA-friendly legislation by contacting their local lawmakers. In this case, Alaska Governor Frank Murkowski visited with MEBA members during a ride on the Alaska Marine Highway System Ferry COLUMBIA. MEBA Chief Engineer Glen Scott is seen here (in white) chatting with the Governor with Alaska Transportation Commissioner Mike Barton at left and an unidentified aide at far right. The vessel was sailing from Ketchikan to Juneau.



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**Q: Do we lobby just Congress or the Administration too?**

A: We work together with the House, Senate and the Administration. That includes the Executive Office of the President as well as Executive Branch offices including the Department of Homeland Security, Departments of Energy and Transportation, Maritime Administration and Coast Guard among others. We also lobby on a statewide basis.

**Q: What role do State and local governments play in our political and legislative strategy?**

A: It really depends on the effect that the State Government can have on the area. In terms of our ferry systems, State governments have a lot of control. State politics also has a role regarding LNG issues as well as certain organizing projects that we’re working on, and we try to exert influence as much as we can and provide information and support to those willing to help in those areas, within the law.

We contribute some funds from our P.A.F. to certain local candidates depending on the campaign finance rules in those areas. Some are stricter than others. For example, we’re able to give money to local candidates in Washington State but in Massachusetts we are not permitted to give any MEBA P.A.F. money to local candidates.

In certain states we have more of a lobbying presence than others, especially those states where we have a union hall or an affiliate. Most of that is handled out of those individual union halls since they have a better grasp of local politics and the on-the-ground strategy than we do from D.C. But we do keep an eye on it and we take input from local area members.

**Q: Besides money, what else do we do to promote the Merchant Marine with legislators?**

A: The #1 thing we do is to provide them with information. Contrary to popular belief, being a Member of Congress is not easy. With the volume of decisions a lawmaker must make on a vast array of issues, it’s easy for them and their staffs to be overwhelmed, especially on what many would consider to be obscure points of policy. A freshman member of Congress from Idaho may not understand why the Jones Act is important or why we need cargo preference laws or why the Maritime Security Program helps keep the U.S. Merchant Marine afloat. That’s where we come in. We’re able to go in and educate the Member, give them the background, and provide them with information they need to make a good policy decision on an issue they may not have thought about. A substantial chunk of our lobbying is providing good information to people on the Hill that can be used to make decisions that are appropriate.

As long as there are Members of Congress and they keep changing, they’re going to need knowledge and educational aspects that we, and the American Maritime Congress, bring to the table.

**Q: What are some examples of how our P.A.F. money is used?**

A: The large majority of money in the P.A.F. goes to candidates’ campaigns. We make our decisions on who we give money to based on a number of factors. Most of it is correlated on their voting pattern. If they are pro-maritime and pro-labor they have a much better chance of receiving P.A.F. money than someone who has a weaker voting record on maritime-friendly or worker protection legislation. It also can depend on what Congressional committees they might serve upon. Certain committees of jurisdiction have a larger role to play in the policy areas that affect us. If a Member is on the Transportation & Infrastructure Committee in the House or the Commerce Committee in the Senate, they are more likely to receive P.A.F. money than someone who serves on the House Administration Committee or in the Senate Banking Committee. In terms of tenure, Members who have had lengthy congressional service and who have had a long-term relationship with the Union have

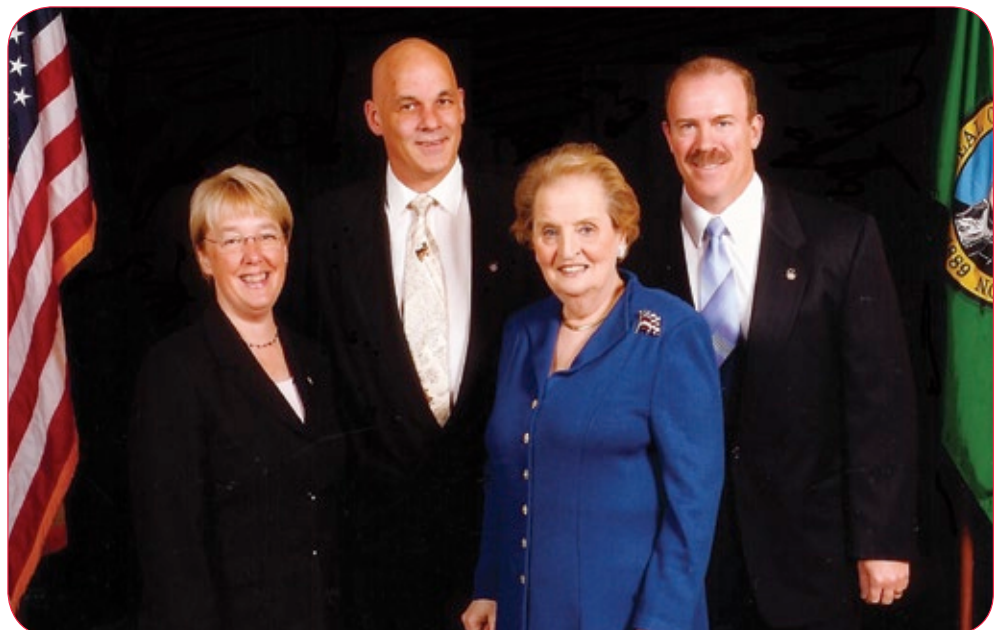
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“In both the 2002 and 2004 cycles, we averaged a 90% win rate... There aren't that many (labor) PACs out there... who can say that.”



At a successful labor breakfast at the Baltimore Union hall are (l-r) Baltimore Branch Agent Bill Van Loo who hosted the function, Baltimore County Sheriff Jay Fisher, Councilman Dion Guthrie, Rep. Ben Cardin (D-MD-3), Rep. Dutch Ruppersberger (D-MD-2) and MEBA Legal Rep. William Doyle.

MEBA officials in Seattle are very active politically on the state level. At an annual Washington State event where citizens are honored for Community Service are (l-r) Sen. Patty Murray, Seattle Branch Agent Jon Anderson, former Secretary of State Madeline Albright and Seattle Patrolman Karol Kingery.





At a labor breakfast held at MEBA's Baltimore Union hall to support Congressman Ben Cardin (D-MD) are (l-r) Harford County Councilman Dion Guthrie (who is also a V.P. with the IBEW) and Rep. Ben Cardin.

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a better chance to receive contributions from our P.A.F. However, at the same time we're always looking for a potential chairman of a committee ten or fifteen years down the road. Early on, we try to identify those people in the House and Senate who can carry the torch for maritime issues well into the future.

One thing we've learned is that early support to a budding legislator seeking a foothold in the political game is always remembered. A small amount given to a challenger in a tough district could be enough to put them over the top – and if they do win, that is something that politician will always remember – and they'll usually be there for us when we need them.

MEBA has a pretty good track record when it comes to picking winning candidates. In both the 2002 and 2004 cycles, we averaged a 90% win rate or higher – which is pretty good considering that unlike many PACs, we're bipartisan and we're also willing to provide funds to challengers. There aren't that many PACs out there, especially in labor, who can say that.

**Q: How can our members assist the Union's lobbying efforts?**

Our active and retired members can continue to fight for our issues by visiting with their local politicians as well as by writing their legislators in support of policies that will aid our industry – that's lobbying. With the knowledge of their own districts, members and retirees are extremely valuable in aiding our goals of promoting maritime and labor issues.

We encourage our people to volunteer to help encourage beneficial change and to raise awareness of the importance of maritime statutes. A person helping out "on the ground" goes further than money can. We're not a large union so we can't get "out there" as much as some of the larger unions. Also, many of our members who are shipping can't easily contribute much of their valuable time. But when we can, it's always left a lasting impression on that candidate. ■

## Hard and Soft Money

### Activity Regulated by Federal Law: Hard Money

Only money raised and spent according to the requirements and restrictions of federal law (hard money) may be used in connection with an election for federal office. Federal law prohibits unions from using treasury funds to make contributions or expenditures in federal elections. While union treasury money may not be used in federal elections, a separate segregated fund - i.e. a political action committee such as the MEBA P.A.F. may be set up to raise voluntary contributions from designated classes of individuals (union members, officials, staff and families) to give or spend in federal elections.

### Activity Outside of Federal Regulation: Soft Money

While the law bans direct giving of union money in federal elections, there are three exceptions that allow spending from union treasury funds, provided they are aimed only at union members, officials, and families. The exempt activities are:

- Establishing, administering, and soliciting money for a PAC;
- Nonpartisan get-out-the-vote and registration drives; and
- Internal communications with members on any subject.

The last category – internal communications – often involves express advocacy, which is permitted because only the restricted class receives the communication.

### Party Soft Money

Party soft money is raised by the national parties from sources and in amounts prohibited in federal elections and transferred to state parties to the extent allowed under particular state laws. Money raised in this manner is generally from unions, corporations and individuals. The funds are kept in "non-federal" bank accounts (thus separate from money in "federal" accounts, which must be raised solely from federally-permissible sources and amounts); it is typically transferred from the non-federal accounts to state parties for grassroots and party-building activities.

*Source: Congressional Research Service  
(Library of Congress).*