



Too Many Lobbyists?



The Burgeoning Lobbying Industry And Undue Corporate Influence On Maryland State Government

A Review of the Most Recent Lobbyist Disclosure Statements At the Maryland State Ethics Commission

August 2004

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Progressive
Maryland
Education Fund

The logo for Progressive Maryland Education Fund. It features the text "Progressive Maryland" in a large, bold, sans-serif font, with "Education Fund" in a smaller font below it. To the right of the text is a stylized map of Maryland.

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Lobbyists, like dentists, belong to an unpopular profession. And the latest lobbyist disclosure data released by the State Ethics Commission showing more lobbyists than ever in Annapolis are not likely to improve their image. But a closer look at the data reveals that multiplying lobbyists, *per se*, are not the real problem plaguing state government. Surprisingly, while reform is necessary and possible to reduce undue special-interest influence on lawmakers, it should not involve more regulations on lobbyists.

There's Lobbying...And Then There's *Lobbying*

During the roaring 1990s, one industry's astonishing growth outpaced nearly all others: lobbying. At the federal level, K Street's annual revenues mushroomed to \$1.45 billion by 2000.¹ In the states, formerly sleepy towns like Trenton, Sacramento and Baton Rouge have seen an influx of lobbyists.² In Maryland, lobbying grew from a \$3 million per year industry in 1979 to a \$22 million industry in 2000.³

We can quantify this boom because of improved lobbyist disclosure laws enacted over the past 15 years. But is increased lobbying necessarily a bad thing? In a democracy, why shouldn't lawmakers hear from constituents?

For most people, the answer to that question depends on how "constituent" is defined. Most Marylanders would agree that a robust democracy depends on voters communicating their wishes to elected representatives. And most

Marylanders have no problem with advocates who defend the interests of poor kids, the indigent sick, the environment, etc. in the political arena. But how about swarms of Gucci-shod, Rolex-flashing corporate lobbyists?

That crucial distinction makes aggregate statistics about lobbying, such as those cited above, of limited value. The question is not *how much* lobbying, but instead *what kind* of lobbying. Which interest groups have the biggest, best-connected presence in Annapolis?

The Progressive Maryland Education Fund decided to find out. We looked over the most recently released reports filed by registered lobbyists at the Maryland State Ethics Commission covering the 2004 session of the General Assembly. The reports detail what issues/bills the registered lobbyists and organizations worked on during the 2004 legislative session and how much money they spent in terms of compensation and expenses.

The Dominance of Corporate Lobbyists and Corporate Interest Groups

At first glance, the reports seem to show that Annapolis' lobbying corps represents a healthy cross-section of Maryland's diverse communities. There are approximately 1,000 registered lobbyists and approximately 1,000 organizations registered to lobby. Some lobbyists work for lobbying firms; others work as staff for organizations registered to lobby. The organizations with a presence in Annapolis range from the Maryland League of Conservation Voters to Wal-Mart to the Evangelical Lutheran Church in America to the Distilled Spirits Council of the U.S.

But of the approximately 1,000 registered organizations, only 111 spent more than \$50,000 to enact their respective agendas. These are the biggest fish in the pond – generally, organizations with more than two full-time, professional lobbyists active during the legislative session. Who are these big fish and how much did they spend?

The most illuminating way to understand these organizations is to ascertain whether they are “non-profit” or “for-profit”. We define a non-profit organization as one whose primary goal is something other than maximizing earnings for itself or its members. We define for-profit as an organization whose primary goal is to maximize earnings for itself or its members. Thus, we include some organizations that are technically registered as non-profit advocacy groups, such as the Maryland Chamber of Commerce, in the “for-profit” list because its goal is to maximize the earnings of its members, which are for-profit businesses with interests in Maryland.⁴

As you can see from the attached list, of the 111 biggest lobbying organizations, only 21 are non-profit entities. Most, but not all, of these non-profit organizations worked primarily on bills that are clearly public-interest in character, such as

expanding access to health care (e.g., the American Cancer Society, Maryland Citizens Health Initiative Education Fund), expanding opportunity for working families (e.g., Progressive Maryland), and fighting against discrimination and intolerance (e.g., the Maryland Jewish Alliance).

Some observers may note the professional organizations on this list of non-profits, groups such as the Maryland State Teachers Association (MSTA) and the Fraternal Order of Police (FOP). While both groups represent their members to obtain better wages and benefits, both are advocates for broader constituencies. The MSTA is the oldest and largest organization that advocates for public school children and employees. Students count on them to secure the best possible education for each child in the state, and in pursuit of that goal, the MSTA was a leader in seeing to the implementation of the Thornton education plan. The FOP likewise has a broader agenda than to seek improved benefits for its members. The organization works tirelessly with other law enforcement groups to reduce crime in Maryland, to make our state a safer place to live and work for all Maryland citizens.

If non-profits account for only 21 of the 111 biggest lobbying entities in Annapolis, the remaining 90 organizations are *for-profit corporations or their industry representatives*. That's 81 percent. Review of the attached list shows that many of these corporate special-interests are pushing a very dubious agenda indeed, with gambling interests trying to legalize slot machines at the top of the list, followed closely by recently privatized energy companies trying to protect their monopolistic control of the energy market, and HMOs/insurance/doctors trying to limit the rights of citizens to obtain redress in a court of law for medical malpractice. To be sure, some of these for-profit entities should be viewed as promoting public-interest legislation (e.g., the Maryland Trial Lawyers defending the 7th Amendment right to a jury trial). But many if not most of these for-profit entities are pushing anti-consumer, anti-worker, or anti-environment legislation.

Not only do the big for-profit organizations outnumber the big non-profits. They also spend vastly more money: \$10.8 million versus only \$2.05 million, for a 5:1 advantage (see attached spread sheets).

Two Case Studies: Energy Companies and Banks

Do the corporate special interests hire so many lobbyists and spend so much money for the fun of it? Of course not. These pragmatic businessmen play the political game because they think lobbying generates good return on investment. Are they right?

Ideally, this report would investigate all the legislation pursued by all 90 of the for-profit organizations. But constraints of space oblige us to focus on only two of the biggest corporate interests: energy companies and banks. (The gambling

industry has already been insightfully analyzed in a series of studies by Common Cause Maryland).

Energy Companies

Energy companies – led by Pepco and Baltimore Gas & Electric (BGE, owned by Constellation) – have for decades invested heavily in lobbying in Annapolis and campaign contributions to lawmakers. In just the past year, energy companies spent at least \$477,679 on lobbying during the 2004 session (see attached list for Pepco, Mirant, and Constellation) plus untold thousands of dollars on campaign contributions (Common Cause estimates conservatively that they have donated \$440,000 since 1999).⁵

Those investments have yielded handsome dividends. Sometimes the dividends come in the form of anti-consumer, anti-environmental bills that pass, such as California-style electricity deregulation that became law in Maryland in 1999 and only now is being fully implemented, so far with negative results for environment and consumers.⁶ And sometimes the dividends come in the form of what does not happen.

The dog that failed to bark helped Sherlock Holmes solve the mystery of *The Hounds of the Baskerville*. A big and curiously silent hound is the Maryland state government when it comes to the abysmal performance of Pepco and BGE in the aftermath of last year's Tropical Storm Isabel, when hundreds of thousands of customers went for days (and in some cases weeks) without electricity. That fiasco and the negligence of BGE and especially Pepco have been amply documented.⁷ The two committees with jurisdiction over the electricity industry – the Senate Finance Committee and House Economic Matters Committee – held a joint hearing in October 2003, one month after the blackout. At those hearings, lawmakers decided to limit themselves to fact-finding so as not to pre-empt the Maryland Public Service Commission (PSC) from fixing the problem through regulation.

But rather than fix the problem, PSC put the fix in. First, in April of 2004, PSC's Ehrlich-appointed Chairman, Kenneth D. Schisler, fired the engineers and senior civil servants with the technical expertise to evaluate (and potentially criticize in detail) the utilities' dysfunctionality. Then, in June, the PSC issued an "Order" that actually *compliments* the utilities for their improved performance since the 1999 blackouts following Tropical Storm Floyd (!) and merely *suggests* a few *costless* proposals. These bromides include "enhancing communications between utilities, local emergency management agencies, media and customers" and "consider[ing] taking additional steps with municipal governments to increase private landowner awareness of the risks attendant with off-rights of way tree and vegetation problems that pose risks to utility electrical facilities." Lending new meaning to the term "captive agency", the PSC then concludes its Order ("Suggestion" is more like it) with this amazingly counter-empirical claim: "No new

evidence or industry information has been adduced or presented that would suggest a need to alter the existing policies regarding overhead and underground wiring of the general electric distribution system.”⁸

Will the hound of Maryland state government continue its peculiar silence vis-à-vis electric companies during the 2005 session of the General Assembly? Lawmakers were probably correct this past year to give PSC a chance to do its job. But considering PSC’s failure to do so, and considering Pepco’s subsequent 16 percent rate hike on customers this year, it is high time for the General Assembly to intervene. Lawmakers should hold public hearings and get answers to some obvious questions, such as:

- Since deregulation in 1999, has the Pepco and BGE service-areas had more annual black- and brown-out days than before deregulation?
- Since deregulation, have the Pepco and BGE service-areas had more annual black- and brown-out days than other parts of the country?
- Why was the industry allowed to deregulate in such a way that the utilities could cut investment in infrastructure, such as power lines, poles, transformers, and vegetation-pruning capability?
- Why, since deregulation, did the Public Service Commission allow Pepco’s CEO, John M. Derrick, Jr., to double his annual compensation up to \$1.9 million per year in 2002? Worse, why did PSC allow BGE’s top executive, Mayo A. Shattuck III, to more than *triple* the CEO’s salary since deregulation, paying himself a whopping \$6.9 million in 2003? Given BGE’s lousy performance during Isabel, how in the world could Shattuck justify a salary like that?⁹
- Are PSC members allowed to work for the same companies they supposedly “regulate” after they leave public service? If so, does this help explain the failure of the PSC to chastise either Pepco or BGE after Isabel? And does it help explain PSC’s supine willingness to approve any hike in executive compensation, no matter how outrageous?
- Why did power outages in the BGE and especially Pepco areas last longer than power outages in some other areas hit by Isabel, such as North Carolina and Pennsylvania?
- Considering that Isabel’s overall impact was not much worse than Floyd’s had been in 1999, why did the BGE area suffer 790,450 customer outages over a period of nine days after Isabel compared to only 503,831 over the same time-period following Floyd? Worse, why did the Pepco area suffer 545,000 customer outages over a period of eleven days after Isabel compared to only 79,000 after Floyd? Granted, 2004’s wet summer made

trees easier to topple during Isabel, but was the ground so much softer as to explain this huge increase in power outages?

Based on the answers to these and other questions, lawmakers can and must pass reform legislation – with a strong presumption that re-regulation is the only way to avert a California-like energy mess in Maryland.

Will lawmakers take this kind of decisive action in the weeks and months ahead? Or will all that utility spending on lobbying and campaign contributions induce in lawmakers the kind of lethargy that killed reform following the Tropical Storm Floyd blackouts of 1999?

Banking Industry

Or consider the privileges of the banking industry. The Maryland Bankers Association spent \$227,157 on lobbying for the 2004 session and, when you count checks written by banks, their PACs, and top executives (plus spouses), untold thousands in campaign contributions as well.

Not surprisingly, the bankers rarely suffer a setback in Annapolis. They routinely defeat legislation that would cap the outrageous fees they charge for ATM withdrawals or that would require them to offer affordable, no-frills checking accounts to low-income Marylanders, among other consumer-friendly bills.¹⁰

But the bankers won their biggest victory in 2004. For it was this year that the General Assembly – under intense pressure from voters organized by Progressive Maryland -- finally got around to closing the notorious Delaware Holding Company corporate tax loophole.¹¹

Here is how the Delaware scam used to work:

- Big multistate corporations like Burger King opened fake companies in Delaware – nothing but a mail slot with no employees. This is a “Delaware Holding Company”.
- The fake firm “owned” the parent firm’s name and logo.
- To cheat on its Maryland taxes, the parent firm claimed that, in order to use its own name, it had to pay the fake firm a “royalty payment”. This royalty payment allowed the parent firm to send pre-tax profits earned in Maryland to the Delaware dummy firm before the state of Maryland could tax the earnings.

Through this and other loopholes, most big corporations no longer pay any Maryland corporate income tax. The Comptroller recently released a list of the 130 biggest corporations in Maryland – firms like Wal-Mart, Safeway, and CVS –

and pointed out that 2/3 paid no income tax at all in Maryland, despite huge profits.

Included on the Comptroller's list of probable tax cheaters are mega-banks such as Legg Mason, Bank of America, Citicorp, and SunTrust. Banks use the Delaware loophole a bit differently than other types of firms. In addition to "owning" the bank's name and other intellectual property, the dummy firm also "owns" the bank's income-producing loans. In other words, a bank working out of a Maryland office using Maryland employees in Maryland's lucrative capital market pays no Maryland income taxes on the income generated by loans made in Maryland because these assets are technically "owned" by the Delaware dummy firm.

The media covered the Delaware legislation – and Gov. Bob Ehrlich's Hamlet-like agonizing over whether to veto it (he eventually allowed it to become law without his signature) – in great detail. But most stories overlooked a huge defect in the bill: for reasons nobody could explain persuasively, the banking industry was exempted from the bill. That's right, banks in Maryland – but no other industry -- may continue to use the Delaware loophole and thereby avoid untold millions of dollars in state income taxes!

Why in the world would lawmakers, during Maryland's worst budget deficit in history, forego millions in tax revenue by exempting banks from the Delaware loophole bill? If a loan is made in Maryland by a Maryland-based bank, should not this transaction be taxed like any other? Should not banks help pay for the schools that educate their employees, the roads that bring customers to their branch offices, and the cops and firefighters who protect their vaults?

Our lawmakers answered "No!" Did the hundreds of thousands of dollars in campaign contributions and lobbying expenditures of the banking industry influence their decision? You decide.

Conclusion

Clearly, corporate money plays too big a role in our democracy. It skews too many legislative outcomes by giving narrow special interests privileged access to lawmakers. Then, their battalions of well-connected lobbyists seal the deal on specific anti-consumer, anti-worker, and anti-environment bills.

Can Maryland limit corporate lobbying? No. It is free speech protected by the First Amendment. All Maryland can do is require the corporate lobbyists to disclose their activities and bar them from lavishing lawmakers with money or gifts. Thanks to ethics laws enacted over the past decade (notably those stemming from the Cardin Commission and Robertson Commission, respectively), Maryland already has achieved these goals.

Annapolis' ever-growing army of corporate lobbyists is merely the ugliest symptom of the larger problem of too much corporate money corrupting our democracy. As more and more lobbyist scandals erupt in the future, they will produce, in the words of former House Majority Leader D. Bruce Poole, the temptation to further tinker with the ethics rules. "Judging from all past history ... there will be an attempt to address the headlines," warns Poole. "You'll see more legislation passed that will further muddy the waters but will not address the things that cause the greater problems in the way Annapolis functions."¹²

What are these underlying "things that cause the greater problems" to which Poole refers? Progressive Maryland – and a growing coalition of allied organizations including Common Cause Maryland, League of Women Voters, AFL-CIO, Sierra Club, NAACP, League of Conservation Voters, American Jewish Congress, and many others – believes the answer is *campaign finance*. As long as massive corporate interests can, in effect, give unlimited contributions to politicians, they will always have the upper hand over workers, consumers, women, minorities, and environmentalists. Reduce those campaign contributions, and you not only allow candidates to run for office who might not slavishly adhere to Big Business' agenda; you also radically reduce the access of the corporate lobbyists, who would find that lawmakers not dependent on big-money contributions are much less likely to return their phone calls. Unlike lobbying – which as free speech protected by the First Amendment cannot and should not be substantially restricted – the campaign finance system can be vastly improved.

Just this year, an official, blue-ribbon task force issued a comprehensive reform proposal to fix Maryland's broken campaign finance system. The distinguished, bipartisan commission, chaired by Dr. Carl Stenberg, former Dean of Liberal Arts at the University of Baltimore, recommended in favor of a reform based on successful systems in Maine and Arizona. It is an alternative, voluntary, publicly funded system for candidates who do not wish to owe favors to deep-pocket special interests after the election. Here's how it works:

- To participate, a candidate must demonstrate broad community support by collecting a large number of small contributions in the district he wishes to represent.
- If successful, he receives enough money from the public Treasury to wage a competitive campaign.
- If a privately financed opponent outspends him, he receives offsetting funds to keep pace, up to a certain limit.

Advantages of Arizona-style reform:

- It enables citizens with community support but ordinary financial means to run for office.

- It frees candidates and lawmakers from incessant fundraising, removing the appearance and reality of corruption.
- Participation in the publicly funded system is voluntary; by leaving the private campaign finance system alone, the Act is immune to judicial challenge.
- Publicly funded candidates who win owe nothing to fat cat contributors, reducing the latter's privileged access in Annapolis.
- Maryland's publicly funded system would cost less than \$2 per resident per year – a small price to pay for real democracy and significantly less than the current system, which lavishes pork on special interest contributors.
- This reform has already been implemented in Maine and Arizona, where it is accomplishing all the benefits described above.

Sen. Paul Pinsky and Dels. John Hurson and Virginia Clagett will submit legislation in the 2005 session of the General Assembly based on the recommendation of the study commission. Their bill offers a proven way to reduce the undue influence of corporate special interests without wasting more effort on the Sisyphean labor of further, ever-more-hairsplitting lobbyist regulations. For why would lawmakers who win election as publicly funded candidates give privileged access to corporate lobbyists? In Maine and Arizona they do not; instead, they give privileged to only one group: the voters of their own district.

¹ Influence Inc. 2000: Lobbyist Spending in Washington (2000 Edition), Center for Responsive Politics, <http://www.opensecrets.org/pubs/lobby00/industry>.

² *The Fourth Branch*, John Dunbar and Meleah Rush, 2002, Center for Public Integrity, at: <http://www.publicintegrity.org/dtaweb/index.asp?L1=20&L2=10&L3=30&L4=0&L5=0&State=> See especially the chart at:

http://www.publicintegrity.org/download/cap_offender/2000_1995_Lobby_Spending_Chart.pdf

³ *Pay to Play: How Corporations Trump Voters in Annapolis*, Progressive Maryland Education Fund, 2002, <http://progressivemaryland.org/issues/election/reports/2001/IntroPlusCaseStudiesFinal.pdf>

⁴ Although claiming to be a non-profit, CareFirst Blue Cross/Blue Shield has spent the past several years behaving like a for-profit HMO by attempting to sell itself at a firesale price to the predatory California HMO WellPoint -- a deal, had the General Assembly approved it, which would have enriched CareFirst's top executives and board members and left hundreds of thousands of Marylanders at the mercy of WellPoint. For this reason, we do not include in the non-profit list the \$675165.91 that CareFirst spent on lobbying in 2004 -- almost all of which was spent trying to persuade lawmakers to allow CareFirst to sell itself to WellPoint.

⁵ "Report released on lobbying money", Catherine Dolinski, *The Gazette*, July 9, 2004.

⁶ "Who's Got the Power? Electricity Deregulation and the Environment" in *Pay to Play: How Corporations Trump Voters in Annapolis*, Progressive Maryland Education Fund, 2002, at: <http://progressivemaryland.org/issues/election/reports/2001/IntroPlusCaseStudiesFinal.pdf>. On Pepco's recent 16 percent hike in rates for consumers, see Matthew Mosk, "Pepco To Boost Md. Rates 16 Percent, Caps Across Region Gradually Lifting", *The Washington Post*; Apr 3, 2004; pg A1.

⁷ See for example "Initial Comments of the Office of People's Counsel Before the Public Service Commission of Maryland in the Matter of the Electric Service Interruptions Due to Hurricane/Tropical Storms Isabel and the Thunderstorms of August 26-28, 2003, Case No. 8977", Maryland Office of People's Counsel, November 2003, at: <http://www.opc.state.md.us/pdfs/Case8977comments.pdf>. See also "Utilities Held Down Spending On Upkeep", Matthew Mosk, Peter Behr, Peter Whoriskey, *The Washington Post*, Oct. 17, 2003; "Pepco Had Technology but Didn't Use It, Report Says", Matthew Mosk, *The Washington Post*, Jan. 14, 2004.

⁸ Order No. 79159, “In the Matter of the Electric Service Interruptions Due to Hurricane/Tropical Storm Isabel and the Thunderstorms of August 26-28, 2003”, Public Service Commission of Maryland, June 4, 2004, p. 3, at: <http://www.psc.state.md.us/psc/> , click “Orders”.

⁹ Bear in mind that the enormous underlying value of stock options was not included in our calculation of executive compensation. Even with this restricted definition, it is clear that the top executives at both companies pay themselves royally – with the full approval of the Public Service Commission. For full data, see “SCHEDULE 14A INFORMATION, Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934” filed with the SEC. For executive compensation at BGE/Constellation since deregulation, compare

<http://www.sec.gov/Archives/edgar/data/1004440/000095010901000653/0000950109-01-000653-0001.txt> to <http://www.sec.gov/Archives/edgar/data/1004440/000119312504060399/ddef14a.htm> For Pepco since deregulation compare

<http://www.sec.gov/Archives/edgar/data/1135971/000119312504055261/ddef14a.htm> to <http://www.sec.gov/Archives/edgar/data/1135971/000092838503000488/ddef14a.htm> To his partial credit, Pepco CEO Derrick gave himself a pay cut in 2003 following his company’s disastrous performance during Isabel.

¹⁰ “Bank Robbery: ATM Fees and Consumers” and “Substantial Penalties for Working Families: The Banking Industry and the ‘Unbanked’” in *Pay to Play: How Corporations Trump Voters in Annapolis*, Progressive Maryland Education Fund, 2002, at:

<http://progressivemaryland.org/issues/election/reports/2001/IntroPlusCaseStudiesFinal.pdf>

¹¹ <http://mlis.state.md.us/2004rs/billfile/hb0297.htm>

¹² “After Fraud Trial, Fretting But Little Change,” *The Washington Post*, Jul. 16, 2000.

About the Progressive Maryland Education Fund

The Progressive Maryland Education Fund is a nonpartisan, nonprofit organization that produces research, educates the public, and trains grassroots activists and organizations to impact issues affecting the lives of working families in Maryland.

We are organized as a tax-deductible nonprofit organization under section 501(c)(3) of the IRS code.

We are affiliated with Progressive Maryland, the state’s leading grassroots advocates for working families. Progressive Maryland unites 10,000 individual members with 70 of the state’s largest community, civic, labor, and faith-based groups to improve the lives of working families in Maryland.

<http://progressivemaryland.org>

Also by the Progressive Maryland Education Fund

[*A Progressive Plan to Close the FY04 Budget Deficit Without Slots, Budget Cuts, or New Taxes on Working Families*](#) (2003)

[*Looting The Treasury: The Best Loopholes Money Can Buy In The Maryland State Tax Code*](#) (2002)

[*Pay to Play: How Corporations Trump Voters in Annapolis*](#) (2nd edition, 2002)

NON-PROFIT LOBBYING EXPENDITURES			
Organization	Type	Amount Spent (\$)	Issue or Bills
American Cancer Society	NP	199,822.39	hb260, 1271, 1008, 86, 1000, 500, sb 737, 140, 499, 559
MSTA	NP	198,937.81	Public education issues in MD
Adventist Health Care	NP	159,472.95	Need applicant, health care
Johns Hopkins Medicine	NP	139,427.70	Higher education, health care reform, sb 661, 630, hb 5, 29, 189, 275, 1151, 1152
MD Independent College and Univ. Assoc.	NP	117,559.24	sb125, 508, 191
M.D. Jewish Alliance	NP	104,531.65	Anti-semitism, healthcare, shelter, nutrition, housing, welfare grants, civil rights
St. Joseph Medical Center	NP	94,496.79	Open heart sugery regulations
Children's Nat'l Medical Center	NP	88,835	hb122, hb166, hb309, hb340, hb358, 359, 426, 433, 475, 505, 510, 556, 886, 968, 1008, 1024, 117, 1270, 1271, 1273, 1274, 1315, 1355, sb98, sb130, 402, 436, 438, 451, 454, 500, 1457
Lifefridge Health	NP	87,746.17	Need certificates, hb1198
Johns Hopkins University	NP	83,141.28	Scholarships, state aid, campus policies, research and development
Suburb. Hospital Health Care	NP	79,204.88	hb287, 886, 952, 968, 1198,
MD Classified Employees Assoc.	NP	76,700	Labor union legislation
MD Catholic Conference	NP	73,222.85	Religious, charitable, education, public health, welfare concerns
St. Agnes Health Care	NP	68,806.25	New cardiac and related services at St. Agnes
Progressive Maryland	NP	65,173.00	Living Wage (HB1192/SB621), campaign finance reform (SB725/HB1317), tax fairness (SB478/HB1061, SB727/HB1206, SB 156)
MD Citizens Health Initiative Education Fund, Inc.	NP	62,051.69	Quality, affordable healthcare for all MD
Anne Arundel Medical Center	NP	61,783.70	Healthcare issues
MD Community Health System LLP	NP	61,510	hb1271, 290, sb715, 189
MD State/Fair Agric. Assocaition	NP	61,078.96	Slots
The Chimes	NP	57,423.18	hb85, 299, 475, 529, 602, 631
Mid-Atlantic Life Span	NP	55,391.58	Long term care for seniors
Fraternal Order of Police-MD State Lodge	NP	51,701.30	Crime, saftey issues, pension issues
TOTAL		2,048,018.23	

FOR PROFIT LOBBYING EXPENDITURES			
Organization	Type	Amount Spent (\$)	Issues or Bill #'s
Centaur Inc.	F-P	825,951.94	Gaming, Horse Racing
Magna Entertainment Corp.	F-P	674,165.91	Horse racing
Maryland Jockey Club	F-P	398,783.10	Horse racing
Cable Telecommun.	F-P	375,702.10	Franchise tax, prop. Tax
Cloverleaf Enterprises	F-P	367,361.02	Horse racing
MD Association of Realtors	F-P	308,561.25	Real Estate industry\law
Pepco Holding, Inc	F-P	240,285.51	Electricity and company matters
MD Bankers Assoc.	F-P	227,157.51	Banking, financial services
Verizon-MD Inc,	F-P	198,080.68	General
MAMSI	F-P	175,291.08	HMOs Health insurers
MD Chamber of Commerce	F-P	173,385.93	all legislation dealing with business/industry in MD
ACS State and Local Solutions	FP	168,992.93	Photo enforcement, citation forms
Mirant Mid-Atlantic LLC	F-P	163,027.53	Ownership and operation of plants for electric energy
MD TB Horsemen's Assoc.	F-P	160,374.15	Horse racing
MD Thoroughbred Horsemen's A	FP	160374	Horse racing
IGT	F-P	157,501	Lottery
Wash. Area New Automobile De	FP	154729.81	Auto industry sales and leasing
Law Offices of Peter Angelos	F-P	151,724.02	Legislation affecting asbestos litigation
MD State Bar Association	F-P	150,038.00	Budget, taxation, judicial proceedings
Norfolk Southern Corp.	F-P	150,008.35	Transportation economic dev issues
MD Trial Lawyers Assoc.	F-P	148,796.07	hb 13, 287,321,369,486,531, 614.636,644,672,749,760,776, 837, 942, 948, 1069, 1070, 1108, 1123, 1237, 1262, 1271, sb113
AT&T	F-P	136,419.17	Telecommunications legislation
MD New Car and Truck Associat	F-P	127,518.35	Collection of excise tax, dealer manufacturer relations, franchise laws, deal processing charge and licensing of auto related bus.
Allegheny Racing	F-P	127,344	Horse racing
Phillip Morris USA	F-P	124,617.78	sb339, hb477
Association of MD pilots	F-P	124,474.85	legislation with pilots licensing
Luk Star Flats	F-P	122,500	Horse racing

Schaller Anderson of MD	F-P	120,928.31	Medicaid	
Greater Baltimore Medical Center	FP	107,549.52	HSCR rate setting, Health Care	
Multimedia Games	F-P	100,020	Video Games	
Diebold Election Systems	F-P	98,628.00	Legislation and procurement of election systems	
ESP Inc		96,323.75	hb91, hb94, hb183, hb660, hb821, hb853, hb1192, hb1441, hb1449, hb1467, hb1469, sb621, sb898	
MD Optometric Assoc.	F-P	89,503.08	hb287, 411, 433, 908, 1091, 1514, sb193, 330, 436, 437, 438, 451, 454, 519	
Deleware North Companies	F-P	89,133.04	sb197, hb293	
Clark Enterprises	F=P	88,584.41	Medco, Cambridge Resort facility	
State Farm Insurance Comp.	F-P	87,153.42	hb1096, sb643	
AT&T Wireless inc.	F-P	85,946.33	Emergency commun. Network	
Greenbelt Metropark L.L.C	F-P	85,917.75	hb242, hb258, sb553	
GM Corporation	F-P	85,370.93	sb286, 563, 613 hb84, 314, 1151, 1503	
National Assoc. Independent Ins	F-P	85,161.23		
Mettiki Coal Corp.	F-P	82,676.15	Business taxes, environment, labor issues	
Policy Studies, Inc.	NP	81,133.04	Human service contracts	
MD Industrial Group	F-P	80,883.50	Energy and tax related issues	
Lorillard Tobacco Company	F-P	80,000.00	Issues relating to tobacco regulation and taxes	
Motorola Inc.	F-P	78,755.27	Communication networks	
MD Farm Bureau	F-P	77,537.25	sb182, 417, hb291, 451, 619	
HMS Host Corp.	F-P	77,114.23	Matters impacting business activity	
MD State Builders Assoc.	F-P	76,000.00	Brownfields legislation	
American Petroleum Inst.	F-P	74,870.70	Petroleum, transportation, environment legislation	
Constellation Energy Group Inc.	F-P	74,379.43	Issues with electric\gas public utilities	
Rite Aid	F-P	73,807.44	Pharmacy and prescriptions	
UST Public Affairs, Inc.	F-P	73,380.12	Taxation and licensure of smokeless tobacco products	
Hudson Group	F-P	73,036.60	Contract issues in MD, BWI	
Delmarva Poultry Industry, Inc.	F-P	72,350.87	Growth and processings of chicken and chicken waste	
MD Tort Reform Coalition	F-P	71,948.83	sb193, hb287, 1299	
Dimensions Health Care System	F-P	70,020	Financial assis, funding, for health care system	
Kaiser Foundation Health Plan of	FP	69985.2	Health maintenance and provisions of health care in MD, health insurance	

Government Affairs, MD	F-P	69,938.30	Excise taxes, corporate taxes, tort reform	
Kraft Foods Inc.	F-P	68,865.86	Food products, snack taxes	
Watson Pharmaceuticals	F-P	67,805.93	medicaid coverage for speculopsy	
NEXTEL communications	F-P	67,256.04	general commercce issues relating to sale of phones	
Marriott International, Inc.	F-P	66,824.26	All matters impacting the hospitality industry	
Nationwide Insurance Company	F-P	66,487.10	Insurance, safety	
MD State Dental Association	F-P	66,208.00	hb123, 136, 166, 198, 558, 869, 870, 871, 1033, 1134, 1143, 1271, 1321, 1361, sb154, 330, 361, 508, 509, 510, 645	
Microsoft Corporation	F-P	66,040.00	Information\technology industry	
Washington Gas	F-P	65,972.50	Legislation affecting the public utility industry	
Harrah's Operating Com	F-P	65,000	Gaming	
Bearing Point	F-P	63,872.17	sb722	
Americhoice Health Services Inc	F-P	63,155.70	Healthcare policy	
Progressive Insurance Comp.	F-P	62,730.00	hb15, 132, 303, 535, 819, 1222, sb147, 205, 531, 101, 691	
Health Facilites Assn MD	F-P	62,088	Health care for elderly, long term care facilities, public and private reimbursements	
SCI Atlantic Region	F-P	60,878.05	Funeral home\cemetary legis.	
ACCENTURE	F-P	60,608.30	hb53, 56, 91, 183, 262, 547,654, 853, 961, 962, 1192, 1390, 1527, sb55, 97, 159, 200, 214, 362, 393, 596, 621, 722, 792, 831, 917	
MBNA America		60,385.88	747, 926, 927, 1037, 1206, 1501, 1537, sb88, 117, 156, 187, 234, 239, 257, 325, 362, 408, 463, 478, 496, 542, 621, 727, 843	
Cingular Wireless	F-P	60,331.95	sb88, 661, hb275, 1204	
MD Horsebreaders Assoc.	F-P	60,259	Horse racing	
University of Phoenix	F-P	60,000	hb10, 66, 77, 256, 322, 440, 1350, sj9, sb17, 30, 31, 615, 739, 754, 812	
Pharmaceutical Research Manuf	FP	60,000	Pharmaceutical, Medicaid, health care issues	
CA One Services, Inc.	F-P	60,000.00	sb488	
Anheuser-Busch Companies	F-P	57,122	All beverage legislation, tax bills,drunk driving, all taxation affecting the beer busines	
Lockheed Martin Corp.	F-P	57,008.63	Legislation affecting tax, procurement and other business	
Cloverleaf Standarbred	F-P	54,783	Horse racing	
MD Insurance Council	F-P	54,666.31	Auto insurance, compensation paid to agents and brokers, uninsured motorists, premium finance compensation	
Supershuttle International	F-P	54,000	Ground Transportation	

Deloitte Consulting	F-P	52,500.00	General consulting and business development	
Walmart Stores	F-P	52,500.00	Health Care for all legislation, retail issues, big box, sales tax, theft bills	
Pfizer, Inc.	F-P	52,426.42	Grassroots education regarding matters affecting the pharmaceutical management and health care industry	
The Dental Network	F-P	52,020.00	Issues relating to dental plan organization and third party	
Mid-Atlantic Petroleum	F-P	51,939.02	Legislation relating to petroleum distribution, trucking, the MVA, leaking underground storage tanks, fuel taxes, and bonding requirement	
EPIC Pharmacies, MD Prof. Pha	F-P	51,915.26	hb203, 204, 205, 344, 397, 512, 840, sb167, 247, 248, 389, 461, 680, 798	
Winbak Farms	F-P	51,872	Horse racing development issues	
TOTAL		10,848,724.12		