

Around the Rotunda: Senators turned lobbyists

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Four of the 22 newly term-limited state senators have registered as lobbyists so far this session, using their knowledge of the system and the players to help a new employer or for cash.

Don Pederson, former Appropriations Committee chairman, is being paid \$20,000 to help Assurity Life Insurance Company convince the Legislature to buy the company's building north of the Capitol.

Doug Cunningham registered as a lobbyist for Affiliated Foods, a Norfolk-based grocery wholesaler. Cunningham is government relations director for the company.

Former Speaker Kermit Brashear, an Omaha attorney, has registered as a lobbyist for the Metro Student Achievement Steering committee, a five-member group affiliated with nine Omaha-area school superintendents working for an alternative to last year's learning community law.

Matt Connealy of Decatur is a registered lobbyist as part of his job as executive director of the state Democratic Party.

It's not unusual for a former senator to return to the Rotunda as a lobbyist. At least 20 former senators) are listed among the more than 350 current lobbyists registered with the state.

A few, like Don Eret, are unpaid and work on behalf of a favorite project. In Eret's case, he's working with the Supporters of Nebraska Tractor Testing Laboratory. But most earn all or part of their income working for their clients' interests in state government.

So who are the fat cats in the Rotunda?

It's hard to tell which lobbyist makes the most money based on the annual lobbying report because there is no consistent reporting. Some firms report total receipts. Other lobbyists don't, forcing the curious to do their own calculations.

But a stroll through the bulky 2006 annual lobbying report will give some sense of which lobbyists are pulling in the big bucks.

A cursory look at the numbers indicates these lobbying groups are at the top:

* Ruth, Mueller, Robak (Larry Ruth, Bill Mueller and former Lt. Gov. Kim Robak) \$1.167 million.

* O'Hara, Lindsay & Associates, Inc. (Paul O'Hara and former state Sen. John Lindsay), \$839,231.

* Radcliffe & Associates (Walter Radcliffe, Justin Brady, Korby Gilbertson), \$777,854.

* Cutshall & Associates, (Bruce Cutshall, Trent P. Nowka), \$394,202.

* Kissel, Erickson & Sederstrom Associates (Gordon Kissel, Amy Prenda), \$376,632.

* American Communications Group, Inc. (Richard Lombardi, Julie Erickson), \$328,133.

* Cavanaugh Law Firm, \$224,630 (Jim Cavanaugh, John Cavanaugh Sr., Patrick Cavanaugh), \$224,630.

These lobbyists reported at least 10 clients in 2006:

- * Campbell & Associates (Mary Campbell, Nick Paden).
- * Consortia Consulting (Michael Hybl).
- * Ronald Jensen.
- * Keigher/Rasmussen & Associates (Timothy Keigher, former Sen. Dennis Rasmussen,)
- * Kelley & Lehan (Michael Kelley).

Budget divisions

Omaha Sen. Lowen Kruse believes too many people are paying too much attention to the total growth in state spending, or the bottom line.

Gov. Dave Heineman has been stressing the bottom line — the 3.8 percent increase of his proposed budget. Reporters and others have then compared the Appropriations Committee's tentative budget plan, with its 4.2 percent average growth over each of the two years.

Kruse wants to divide the state budget into two parts: state aid and state government. He wants the public to understand the additional money going to public schools is driving up total state government costs.

State aid to local governments, schools in particular, is a form of property tax relief. When the state sends more money to local governments, that money reduces the need for property tax revenue. State aid to local governments will grow by 8 percent, under the tentative budget of the Appropriations Committee.

On the other side is the cost of running state government. Those costs will go up 1.8 percent, under the tentative budget.

Big bucks for business incentives

Companies have stacked up more than \$2 billion in total tax credits for creating more jobs in the state and investing in buildings and equipment since the first tax credits began in 1988, based on the recently released tax credit report.

Tax credits are not a legislative issue this year, but the Department of Revenue is required to make an annual report every March 15.

Companies have earned about \$1.54 billion in tax credits for spending about \$19.3 billion on equipment and buildings through the major tax incentive program, still called by its bill number, LB775. The companies earned less, \$572,000, for creating more than 81,300 new jobs.

The companies have used about \$1.3 billion in credits in almost 20 years. And almost \$56 million in credits have expired, never to be used.

About \$8.5 billion in personal property valuation has also been exempted from the property tax through the major tax incentive program. That includes about \$114,485,678 million in exempted property in Lancaster County, for a total property tax loss of more than \$2 million this year in the county.

Delivering the mail

A stranger walked up to Don Wesely, former state senator, former Lincoln mayor and now a lobbyist, as he was standing in the Capitol Rotunda.

"Hi, governor," said the man. He handed Wesely a letter addressed to Gov. Dave Heineman, and walked away. Wesely may once have had gubernatorial ambitions, but otherwise there's not much resemblance between the two men.

Wesely did deliver the letter to the governor's office.

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