ETHICS REPORTER February 2025



Kentucky Legislative Ethics Commission 22 Mill Creek Park, Frankfort, Kentucky 40601-9230 Phone: (502) 573-2863 https://klec.ky.gov

Lobbying spending in January 2025 down compared to last short session

The 2025 General Assembly's session is a short one and, compared to the last short session, reported lobbying spending in January decreased. The last odd-year session in 2023 saw employers and lobbyists spending \$2.6 million in January; however, this year spending decreased slightly to \$2.5 million spent on issues before the legislature.

There are currently 711 legislative agents (lobbyists) and 901 employers registered to lobby. Employers spent almost 2.4 million to pay compensation to their lobbyists. An additional \$82,294 was spent on lobbying related administrative costs, such as travel and other expenses. Lobbyists on their own spent \$77,653 on out-of-pocket expenses during this time period.

Spending on advertising was also down during the first month of the 2025 session. Employers only spent \$8,326 on advertising in January 2025 compared to the \$330,594 spent in January 2023 of the last odd-year session.

Below is the list of the top spending employers during January 2025:

- 1. KY Chamber of Commerce \$36,524
- 2. KY League of Cities, Inc. \$24,506
- 3. KY Hospital Association \$23,491
- 4. KY Retail Federation, Inc. \$23,255
- 5. KY Credit Union League, Inc. \$22,388
- 6. Elevance Health and Affiliates DBA Anthem, Inc. \$19,000
- 7. LG&E and KU Energy LLC \$18,537
- 8. KY Bankers Association \$15,234
- 9. Seven County Services, Inc. \$13,563
- 10. KY Primary Care Association \$13,500
- 11. KY Automobile Dealers Assn. \$13,453
- 12. HCA Healthcare, Inc. \$13,054
- 13. Humana Inc. \$12,637
- 14. Greater Louisville, Inc. \$12,500
- 15. KY Distillers' Assn. \$12,275
- 16. KY Assn. of Manufacturers \$11,914
- 17. KY Assn. of Counties \$11,858
- 18. Altria Client Services LLC \$11,842
- 19. Cincinnati/Northern KY International Airport \$11,700
- 20. Pharmaceutical Research & Manuf. of America \$11,445

Lobbying Report Deadline

Monday, March 17, 2025 is the next reporting deadline for lobbying entities, and all lobbyists and employers are required to file Updated Registration Statements by that date, for the period of **February 1 through February 28, 2025.** This reporting period will be open for filing these reports on March 1, 2025.

The easiest and quickest way for lobbyists and employers to file is to visit the Commission's website https://apps.klec.ky.gov/lec/onlinefiling.aspx and file online.

Newly-Registered and Terminated Lobbying Employers

The following businesses and organizations recently registered to lobby in Kentucky: American Association of Dental Boards, Inc., AmeriPro Health, Astra Zeneca Pharmaceuticals, LP, Biotechnology Innovation Organization (BIO), Cedar Lake, Chandler Real Estate, Code.org, Columbia Art House, Commonwealth Seed Capital, LLC, EducateNKy, Harrison Memorial Hospital, JT International USA, KY Cares 2018, KY PACE Assn. Inc. (KPA), KY Quarter Horse Racing Association, KY Waterways Alliance, Kids Center for Pediatric Therapies, Nursing Home Ombudsman Agency of the Bluegrass, Perry Real Estate College, Professional Certification Coalition, Safety and Advocacy for Empowerment, Saige, Inc., TechNet, Travelers Indemnity Company, Verified Voting.Org, Inc., Voter Reference Foundation and Youth Villages.

The following businesses and organizations recently terminated in Kentucky: Alliance for Responsible Consumer Legal Funding, ALS Association (The), Compass Municipal Advisors, LLC, Compassion & Choices, Consumer Healthcare Products Association, EdChoice Kentucky, Inc., Gartner, Inc., KY Assn. of Master Contractors, LHC Group, Inc., Louisville Soccer Alliance, PLS Financial Services, Prominent Technologies, LLC, Sage Therapeutics, Stronach Group (The) and United Auto Workers, Local 862.

Ethics & Lobbying News from around the U.S.

Michael Madigan, former Illinois House Speaker, convicted on 10 corruption counts, acquitted on 7 others

By Todd Feurer, Chris Tye, Sabrina Franza – CBS CHICAGO – February 12, 2025

CHICAGO (CBS) — Former Illinois House Speaker Michael Madigan was convicted of bribery conspiracy, bribery, and wire fraud charges on Wednesday, but acquitted of several others, following a four-month trial accusing him of running a yearslong criminal enterprise to enrich himself and his political allies.

In all, Madigan was convicted on 10 counts and acquitted on seven others, while jurors were deadlocked on six other counts against him. The jury also was unable to reach a unanimous verdict on all six charges against his co-defendant, Michael McClain.

Prosecutors and defense attorneys agreed to accept the partial verdict in the case following more than 60 hours of deliberations over 11 days.

Late Wednesday, Illinois Gov. JB Pritzker issued a statement on the verdict, "The Madigan verdict by a jury of everyday Illinoisans is an important message to anyone in government, or those thinking about public service, that if you choose corruption, you will be found out, and you will be punished."

Madigan, 82, and McClain, faced a 23-count indictment in federal court in Chicago on charges of racketeering conspiracy, bribery, wire fraud, and attempted extortion. They were accused of conspiring with utility companies ComEd and AT&T to provide no-show jobs to Madigan's allies in exchange for the speaker's help on legislation. Prosecutors also accused Madigan of pressuring real estate developers to hire his private law firm, which specializes in property tax appeals.

Following 11 weeks of testimony, jurors convicted Madigan of one count of bribery conspiracy involving ComEd, two counts of bribery involving ComEd, three counts of wire fraud related to an effort to secure a state board seat for disgraced former Ald. Danny Solis, and four counts of using interstate commerce to facilitate bribery.

Madigan was acquitted of one count of bribery related to the Solis state board scheme, two counts related to the ComEd scheme, and four counts involving a scheme to get business for his private law firm from the developers of a luxury apartment building in the West Loop.

Solis testified against Madigan under an agreement with federal prosecutors that will see him avoid bribery charges of his own. Solis secretly recorded phone calls and in-person conversations with Madigan for years.

Jurors were deadlocked on the top count against Madigan – racketeering conspiracy – as well as 11 other charges tied to Solis and other counts related to legislation tied to a development deal in Chinatown.

The jury also was deadlocked on all six counts against McClain.

Federal prosecutors won't say yet if they'll retry Madigan and McClain on remaining counts

Acting Chicago U.S. Attorney Morris Pasqual called the jury's verdict "a historic conviction, which ranks high in the annals of criminal cases tried in this courtroom."

"The bribery here and corruption here was refined, not the old-fashioned way, and what this means is that the federal government, the U.S. Attorney's office, and the federal agencies are committed to use any and all lawful tools in our disposal to ferret out and root out corruption, no matter how refined it appears on its surface," Pasqual said.

U.S. District Judge John Blakey declared a mistrial for all counts where jurors were deadlocked, and federal prosecutors said they have not yet decided if they will seek to retry Madigan or McClain on any of those charges.

Madigan could face up to 20 years in prison for the most serious convictions on wire fraud charges, but likely will get far less due to his age. Sentencing has not yet been scheduled.

The man federal prosecutors said lost his way as a political titan, becoming blinded by profit, spoke only briefly after learning his fate. When asked how he was feeling, Madigan told a reporter "How are you? You're the one we're concerned about."

McClain said "my head is spinning" as he left the courthouse after the jury was unable to reach a unanimous verdict against him.

"I can't really put anything into thoughts right now," he said. "I was surprised I got indicted."

McClain's lead defense attorney, Patrick Cotter, said they were pleased the jury was deadlocked on all charges against him.

"We are very glad to be walking out of this building the way Mike walked into it. He was an innocent man when he walked in, he's walking out an innocent man," Cotter said. "We're very grateful to the jury. We know they worked very hard, and we're very grateful that somebody or somebodies on that jury listened to us. Mike never intended to break the law, and somebody or somebodies on the jury got it."

McClain and three others previously were convicted on related charges in the so-called "ComEd Four Trial" in 2023, so McClain still faces sentencing on those charges.

How did Madigan get here?

Federal prosecutors have accused Madigan of running a yearslong criminal enterprise to enrich himself and benefit political allies. Prosecutors have said ComEd and AT&T provided cushy noshow jobs to Madigan's allies in an effort to gain his support for beneficial legislation. Madigan also is accused of pressuring real estate developers to hire his law firm, which specializes in property tax appeals, in exchange for his help.

Jurors in the months-long trial heard testimony from dozens of witnesses. Madigan himself took the stand, where prosecutors cross-examined him and presented what was considered the most damaging piece of evidence—a conversation between Madigan and McClain, discussing a contract one of Madigan's allies had landed with ComEd. During that conversation, Madigan told McClain "some of these guys have made out like bandits."

Before the trial, Madigan spent a record 36 years as Speaker of the Illinois House of Representatives, where he wielded control over whether legislation would move forward in Springfield until he resigned in 2021, about a year before he was indicted.

Jurors heard from more than 60 witnesses during 11 weeks of testimony after the trial began in October. They began their deliberations in late January, after a week of closing arguments.

Former Chicago Mayor Lori Lightfoot, a former federal prosecutor, said while the jury's partial verdict shows "the system worked," it also raises the question of whether prosecutors over-reached in bringing such a sweeping case against Madigan.

"What does it say about, frankly, the strength of the government's case? What does it say about whether or not the former speaker did himself well by hopping on the stand?" she said. "It was a very far-reaching indictment, as you know. There's lots of different stories that they were trying to tell. It's a question of whether or not they swung for the fences and put too much evidence before the jury."

Jurors thought some of Madigan's and McClain's actions were legal lobbying

One juror explained how they came to their decision that some of what Madigan was accused of doing was bribery, but other actions amounted to legal political lobbying.

"A lot of individuals thought that it was more lobbying work that he was doing," said the juror, who identified himself only as Malik.

Jurors struggled to reach an agreement on some counts, in particular the racketeering conspiracy charge, for which they could not find a consensus. Malik said two jurors in particular were hung up on the counts for which they could not reach a verdict.

Malik said no-show jobs lined up for Madigan's allies in exchange for political favors weighed heavily on the jury. "Whether Madigan and McClain knew that those individuals were getting paid and not doing work. We came to the conclusion that they did; that they knew," he said.

Analysts expect Madigan to get a sentence of 4-6 years

Madigan, who was the longest-serving state house speaker in American history when he resigned from the Illinois House in February 2021, is left to square himself with the realities of his judgment day.

While the wire fraud convictions Madigan faces each carry a maximum sentence of 20 years in prison, legal analysts said Madigan likely will get 4 to 6 years in prison, based on his age and convictions in previous corruption cases in Chicago. Much of that might hinge on whether Madigan shows remorse for his actions at his sentencing hearing.

Former Ald. Ed Burke was sentenced to 2 years in prison after he was convicted of racketeering and bribery charges in 2023.

Former Gov. George Ryan was sentenced to $6\frac{1}{2}$ years in prison in 2006 after he was convicted of racketeering, bribery, and fraud charges.

Former Gov. Rod Blagojevich was sentenced to 14 years in prison in 2011 after he was convicted of bribery and fraud charges. President Trump commuted his sentence in 2020 after he'd served nearly eight years behind bars, and earlier this week the president granted him a full pardon.