

ETHICS REPORTER

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Kentucky Legislative Ethics Commission
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Lobbying Report Deadline

Monday, September 15, 2025 is the next reporting deadline for lobbying entities. All lobbyists and employers are required to file Updated Registration Statements by that date, for the period of **May 1 through August 31, 2025**. This reporting period will be open for filing these reports on September 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. If you normally email forms to our office, have any changes to previously filed forms or need password resets, please be sure to send them to lori.smither@kylegislature.gov.

Final Numbers on Lobbying Spending for the 2025 Session

There are currently 695 lobbyists and 912 employers working to influence lawmakers on public policy. Lobbying spending for the 2025 session of the General Assembly hit \$11.202 million with \$10.180 million of that going to compensation paid to lobbyists for their efforts.

Employers also spent over \$253,553 to host receptions, meals and events on legislators and LRC staff this year. An additional \$332,298 was spent on lobbying related administrative costs, such as travel and other expenses. Lobbyists on their own spent \$324,017 on out-of-pocket expenses during this time period.

Out of the 912 registered employers, the top 20 spenders for the 2025 legislative session spent a combined total of \$1,395,401. That's 13% of the grand total spent by everyone else.

The 2025 top spender is **KY Chamber of Commerce**, which spent \$185,919 during the session, the majority of that amount, \$180,228 was compensation paid to their lobbyists. **KY League of Cities, Inc.** was second, spending \$95,907 on lobbying the legislature. The rest of the top 5: **KY Hospital Association** (\$93,914), **Americans for Prosperity** (\$92,825) and the **KY Retail Federation, Inc.** (\$75,602).

The remaining companies in the top 20 spending list are: **LG&E and KU Energy LLC** (\$71,816), **Elevance Health and Affiliates DBA Anthem, Inc.** (\$70,039), **Greater Louisville, Inc.** (\$65,400), **KY Assn. of Electric Cooperatives, Inc.** (\$63,026), **KY Bankers Association** (\$60,936), **KY Automobile Dealers Association** (\$58,056), **KY Primary Care Association** (\$54,000), **Humana Inc.** (\$53,971), **Altria Client Services LLC** (\$53,311), **HCA Healthcare, Inc.** (\$52,216), **KY Medical Association** (\$50,106), **Airbnb, Inc.** (\$50,000), **Suntory Global Spirits** (\$49,950), **KY Distillers' Association** (\$49,797) and **Churchill Downs Incorporated** (\$48,611).

Newly-Registered and Terminated Lobbying Employers

The following businesses and organizations recently registered to lobby in Kentucky:

Behavioral Health Group, National Board of Examiners in Optometry, ProGen Industries and Savvas Learning Company.

The following businesses and organizations recently terminated in Kentucky:

Fugees Family, JLC Services, Inc., Major League Baseball, Perry Real Estate College, Scientific Games, LLC, and Thompson Consulting Services, LLC

Ethics & Lobbying News from around the U.S.

Former House Speaker Glen Casada found guilty on 17 of 19 counts, Cothren guilty on all charges

By: Emily R. West , Chris Davis – **News Channel 5 Nashville** - May 16, 2025

NASHVILLE, Tenn. (WTVF) — A jury of six men and six women found former House Speaker Glen Casada guilty for his involvement in what was a trial on public corruption charges against him. He was found guilty on 17 of 19 counts.

The jury found his aide Cade Cothren guilty on all charges for his stake in the trial. Casada and his wife were both visibly emotional as the verdict was handed down. Cothren stayed composed as his verdict was read.

Former House Speaker Casada, 65, and his aide Cothren, 38, were charged in a multi-count indictment that accuses them of engaging in a bribery and kickback scheme in conjunction with a deal to provide state-funded constituent mailing services named Phoenix Solutions for members of the House Republican Caucus.

Prosecutors say the two men conspired together in a "scheme involving fraud, bribery, theft, and money laundering," in which they "leveraged elected office for private profit, while using lies and concealment as means to accomplish their criminal goals."

The beginnings

The whole saga began when *NewsChannel 5 Investigates* revealed racist and sexist text messages between Casada and Cothren. That scandal forced Casada out as Tennessee House Speaker and their tarnished reputation is why the trio used the fake name Matthew Phoenix when they created Phoenix Solutions, all in an attempt to obtain state mail contracts.

'There will be an appeal'

Attorneys for both defendants vowed to appeal the ruling.

"We are disappointed in the verdict, and there will be an appeal. We look forward to continuing the process," said Jonathan Farmer, an attorney for Glen Casada.

"We thank the jury for their time and we look forward to filing our post-trial motions and our appeal," said Cynthia Sherwood, an attorney for Cade Cothren.

Prosecutors celebrated the development, shortly after the verdict was shared.

"Elected leaders and their staff should perform honest services for the citizens that they serve," said Acting U.S. Attorney Rob McGuire. "We feel vindicated today by the jury's verdict."

It brings to a close four years of investigating and three years of preparing for trial. But not all of the public's questions were answered with Friday's verdict. The prosecution had little to say about why current House Speaker Cameron Sexton was anticipated to testify for the federal government, but it wasn't called.

"We put on the witnesses and the evidence that we thought was necessary to prove our case beyond a reasonable doubt," said McGuire.

What happens to Robin Smith?

NewsChannel 5 also asked the Department of Justice about the fate of Rep. Robin Smith, who was the third member of the conspiracy and took a plea deal for a reduced sentence.

"I think what is most important is that the jury, by her verdict, found her to be a credible witness. They obviously listened very intently to her testimony and what she described is what the jury found the defendants guilty of doing, which is defrauding the people of Tennessee," said McGuire.

Judge Eli Richardson will ultimately determine sentencing for all three — Smith, Casada and Cothren.

What happens to Casada and Cothren?

Casada and Cothren were allowed to be released back to their families under pre-trial conditions until they're sentenced in September 2025. Some of the more significant charges carry a maximum sentence of 20 years. Judge Richardson could decide to make those concurrent or consecutive charges. What's the difference? They could spend a few years behind bars or up to decades.

Many have wondered if Casada and Cothren may appeal to President Donald Trump for a pardon. It could be a possibility. A few months ago, former Tennessee State Senator Brian Kelsey was pardoned by the president, when he was early into a prison sentence for an illegal campaign finance scheme.

Tennessee's Capitol Hill responds

Leaders of Tennessee's House Republican Caucus appeared to almost celebrate the guilty verdicts. A statement reads:

Today's verdict reaffirms the principle that public office is a sacred trust, not a license for personal gain or abuse of power. The House Republican Caucus deeply appreciates the leadership of House Speaker Cameron Sexton, who was instrumental in uncovering illegal activity by two former members and providing critical facts to federal authorities. His commitment to integrity in state government reflects the standards to which all public officials should be held. We also commend the investigators, prosecutors and jurors whose diligent efforts ensured that those who betrayed the public's trust were brought to justice.

Tennessee House Republican Caucus

Tennessee House Speaker Cameron Sexton also weighed in:

I want to thank the FBI, the Department of Justice, and the Trump administration for their decisive action in pursuing justice in this case. As we close this chapter, I will remain committed to working with state and federal authorities to fight against corruption and fraud whenever it is uncovered.

Tennessee House Speaker Cameron Sexton

Prior to the verdicts, Democrats held a news conference in front of the courthouse, weighing in on the federal corruption trial.

"Nobody thinks this trial is delivering justice. Our lawmakers are out of control. Authoritarianism breeds corruption. They go hand in hand. Throughout this trial, we heard that lawmakers feel entitled to spend public money to enrich themselves in their power struggles. We heard that votes can be bought and sold. Tennesseans saw how the game is played, and Republicans are running our state like a cartel.

Rachel Campbell, chair, Tennessee Democratic Party

Ethics commission rejects proposed settlement in Oregon rare bourbon scandal

By: Dianne Lugo - **Salem Statesman Journal** – May 9, 2025

The Oregon Government Ethics Commission rejected a proposed settlement with former executive director of the Oregon Liquor and Cannabis Commission Steve Marks on May 9.

The ethics commission opened cases against six former OLCC employees in 2023 after The Oregonian reported on an internal investigation into OLCC officials using their positions to set aside bottles of rare bourbon for other high-ranking officials, including lawmakers.

On April 25, the commission settled cases against former budget director Bill Schuette and former information services director Jon-Kai Nakashima, who each agreed to pay a \$500 penalty.

Marks also had agreed to pay \$500, but the ethics commissioners voted 7-1 to send the proposed order back to negotiations, suggesting a former executive director should receive higher penalties.

The ethics commission also postponed action against Boba Subasic, former chief information officer for the OLCC.

Marks violated ethics rules, the Oregon Government Ethics Commission claims

Marks stepped down as OLCC's executive director on Feb. 13, 2023, after Gov. Tina Kotek called for his resignation. Craig Prins, then the Oregon Department of Corrections's Inspector General, was later appointed executive director.

According to the rejected proposed order, Marks told an OLCC investigator on Aug. 30, 2022, that he acquired a 23-year-old bottle of Pappy VanWinkle from OLCC's reserve stock sometime between 2019 and 2022 and paid the OLCC listed price of \$329.99.

"The Commission contends that information on the availability of the bottles in the reserve stock was not publicly disclosed, that this information was only available to Steve Marks because of his position at OLCC, and that Steve Marks was able to obtain a bottle of Pappy Van Winkle 23 year, from the OLCC reserve stock, because he held his position at OLCC," wrote the ethics commission.

Obtaining the bourbon meant Marks avoided paying the costs that would otherwise be necessary to purchase it, the commission order said.

Prices for the limited production bottles of bourbon on the secondary market range from nearly \$3,790 to \$4,600 per bottle.

OLCC regulates the distribution and sale of distilled spirits. In 2018, the OLCC launched a public lottery, the Chance to Purchase Program, which offers participants the chance to win rare and limited-edition liquor bottles, including Buffalo Trace bourbon like Pappy's. After the distribution of winnings, bottles of rare bourbons are held in OLCC's reserve stock.

OGEC's report reiterates Marks and other OLCC employees could previously request and obtain bottles from the reserve stock before they were added to the regular stock list available for distribution to liquor stores. The OLCC implemented a new policy in May 2023 prohibiting employees from engaging in the internal diversion practice.

Commission investigators said a full hearing would find Marks violated three ethics rules, the commission's final order said. Marks disagreed.

Marks "asserts that he did not knowingly or intentionally violate these statutes and that he has legal and factual bases to argue against any and all of the facts asserted and the alleged violations, but he agrees to entry of this stipulated final order in order to resolve this matter," the final order said.

Marks was present during the ethics commission meeting May 9 but declined to give a statement. His lawyer, Robert Steringer spoke on his behalf and urged the commission to accept the proposed final order.

Steringer argued Marks purchased one bottle and that he "in essence" would be penalized more per-bottle than other OLCC employees under investigation. Steringer also argued Marks had paid the amount the bourbon cost in Oregon.

If you're the top official, you should pay the top penalty, suggested commissioner Dan Mason. The \$500 was within the range of a penalty matrix of 1% to 20% of the maximum civil penalty of \$5,000, said OGEc executive director Susan Meyers.

"I do tend to think that Mr. Marks, as director, has a higher duty to comply with ethics laws," said commission chair David Fiskum, who voted against the proposed settlement. "I have mixed emotions about this."

Open OLCC ethics case, two ongoing lawsuits

OGEc had been scheduled to hear about the investigation into Bubasic, who told an OLCC investigator on Aug. 22, 2022, that he received "maybe four or five bottles" of Pappy Van Winkle and Elmer T. Lee.

Meyer told commissioners Bubasic agreed to a time waiver to continue negotiations and a planned vote to move the investigation to a contested hearing was pulled from the agenda.

According to their report, commission staff requested Subasic sit for an interview or answer written questions, but he declined through his attorneys. Negotiations for a potential stipulated final order, like the settlements reached between Marks, Schuette, and Nakashima, also failed.

The investigative report by OGEc investigator Andrew McIntyre said Subasic's attorneys said they believe the commission lacks jurisdiction.

"The letter goes on to state that even assuming the Commission has adequate jurisdiction, 'Mr. Subasic's choice to participate in a frequent and widely accepted practice while an employee at the OLCC was not an ethics violation,'" wrote McIntyre. "At no time during his tenure at the OLCC did he use confidential information to his benefit, use his position as a government employee to avoid financial detriment, or maintain and fail to disclose a conflict of interest."

OGEc's investigation concludes the commission does have legal authority and evidence shows Subasic violated ethics rules.

Two of the former OLCC executives have filed lawsuits related to their terminations.

According to court documents, former deputy director Will Higlins filed a complaint in Marion County Circuit Court on March 7 against the OLCC, the State of Oregon and director Craig Prins, claiming breach of contract. The suit has since been moved to federal court.

Chris Mayton, the former director of the distilled spirits program, also filed a lawsuit against the OLCC, the Department of Administrative Services and others, claiming invasion of privacy.