

The Ethics Reporter

OCTOBER 2022

KENTUCKY LEGISLATIVE ETHICS COMMISSION
22 MILL CREEK PARK
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KLEC.KY.GOV

Informal and formal advisory opinions on the Legislative Ethics Code available upon request

Did you know?



The next filing date for employers' and legislative agents' spending disclosures is **January 17, 2023**.

The Legislative Ethics Commission is available to provide informal and formal advisory opinions to anyone covered by the Legislative Ethics Code or who is personally and directly involved in a matter covered by the Code. This includes legislators, legislative staff, legislative candidates, lobbyists, and employers. The Commission may also issue opinions on its own initiative.

A key function of the Commission is providing these opinions, which help to guide people in their future conduct under the Code.

Informal opinions, provided by staff, are the most common way that persons affected by the Code can receive quick answers to their questions. You may call or email staff and we will provide an informal opinion.



If a formal advisory opinion is needed, one may be requested in writing, and the Commission will vote on the opinion. Formal opinions are published on the Commission's website without reference to the identity of the requester.

Both formal and informal opinions are confidential, unless the requester waives confidentiality in writing, or the requester makes public the substance of the opinion.

Questions? Call us at (502) 573-2863.



May a Kentucky legislator receive an honorarium for speaking at an event?

Answer on page 4

New lobbying employers for October

Several newly registered lobbying employers are:

Biotactical Solutions; Kentucky College of Art and Design; Life Learning Center; and ProtectED.

Training for legislators! Mark your calendars.

Every new legislator must have 2 hours of ethics orientation, and all legislators must have 2 hours of ethics current issues training per year.

The new legislator ethics orientation will be held on **December 14, 2022**, in conjunction with the LRC's new legislator training.

The annual current issues training will be held on **January 4, 2023** from 9 to 11 a.m. for all legislators.



“To be good, and to do good, is the whole duty of man comprised in a few words.”

–Abigail Adams

AT&T Illinois to pay \$23 million to settle corruption probe related to bribing former politician

ILLINOIS-CNBC - October 14, 2022

AT&T Illinois has agreed to pay a \$23 million fine to resolve a federal probe into its illegal efforts to influence former Illinois House Speaker Michael Madigan, who also faces new charges for his role in the scheme, prosecutors announced Friday.

Under the agreement, the company admits that it arranged to make payments to an associate of Madigan, who was one of the state’s most powerful political figures at the time, in exchange for Madigan’s help in pushing through legislation favorable to the company, the U.S. attorney’s office in Chicago said in a news release. In what could spell trouble for Madigan, prosecutors also said the company agreed to cooperate with any related investigations.

Madigan’s attorney, Sheldon Zenner, declined to comment when reached by phone.

In a separate release, the U.S. attorney’s office said that Madigan, who was charged in March for his alleged role in a nearly \$3 million racketeering bribery scheme, was indicted by a federal grand jury for his role in the AT&T scheme. In a separate indictment unsealed Friday, the company’s former president, Paul La Schiazza, was charged with participating in the conspiracy and other offenses.

Madigan, 80, has had a dramatic fall from power since retiring under pressure last year and ending his run as the longest-serving speaker of a

state House of Representatives in modern history. As the speaker of the Illinois House, Madigan, nicknamed the velvet hammer, wielded immense power. His reward of campaign cash and choice legislative assignments helped let him determine which bills received a hearing and which didn’t.

In March, he was charged in an alleged racketeering bribery scheme involving utility Commonwealth Edison. According to prosecutors, Madigan used his speaker role and various other positions of power to further his alleged criminal enterprise. Those charges were filed after federal prosecutors announced in 2020 that the utility had agreed to pay \$200 million and cooperate with an investigator of a years-long bribery scheme. McClain is charged in that case as is a lobbyist, a consultant and a former ComEd CEO.

The allegations against Madigan involving AT&T are similar. In their news release, prosecutors allege that Madigan and his close friend Michael F. McClain, who is also charged in both alleged schemes, “conspired with AT&T Illinois’s then-president to corruptly arrange for \$22,500 to be paid at the direction of the company to the Madigan ally.”

According to prosecutors, AT&T admits that in 2017, it arranged for a Madigan ally to receive the payments through a lobbying firm that had done work for the company. Prosecutors contend that arrange-

ment was made to “disguise” why the ally, who didn’t work for the company, was being paid.

On Friday, prosecutors announced that in exchange for agreeing to pay the fine, they suspended their criminal case against AT&T, which alleges that it used an interstate facility to promote legislative misconduct. If, after two years, the company “abides by certain conditions, including continuing to cooperate with any investigation related to the misconduct alleged in the information,” the charges will be dropped.

In a brief statement, AT&T said: “We hold ourselves and our contractors to the highest ethical standards. We are committed to ensuring that this never happens again.”

Ex-House Speaker Lee Chatfield suspected of criminal enterprise, embezzlementMICHIGAN— *Michigan Live*-by Jordyn Hermani-October 18, 2022

Whether Lee Chatfield, Michigan's former House speaker, engaged in a "criminal enterprise" is the subject of court documents briefly made public which allege the ex-lawmaker may be guilty of embezzlement, bribery, use of controlled substances and campaign finance violations.

Chatfield was a part of the state Legislature from 2015 through 2020 when he termed out of office.

Contents of the court documents, which were accidentally released by Lansing's 54-A District Court before being quickly re-restricted, were reported by The Detroit News late Monday, Oct. 17.

MLive reached out to obtain these sealed records but was told by 54A District Court Collection Manager Marketa Taylor that would not be possible.

"On Monday, October 17, 2022, suppressed Chatfield court documents were released to The Detroit News in error," she told MLive in an email. "Due to the error and the suppression order that the court must comply with, the court will not be releasing any Chatfield documents to any other media outlets."

The two affidavits obtained by the News are dated from April and are associated with the ongoing criminal probe into Chatfield by the Department of Attorney General.

The office stepped in to aid Michigan State Police in the

probe back in February which is focused on allegations of abuse carried out by Chatfield against his sister-in-law, Rebekah Chatfield, when she was a minor.

As part of those affidavits, where state agents sought to establish probable cause to get a judge to authorize search warrants, Chatfield's brother Aaron Chatfield reportedly told investigators that he would occasionally receive money from the lawmaker despite not doing "any work." The News also reported that in one affidavit, an agent in the Attorney General's financial crimes section said Aaron Chatfield purchased and provided the prescription drug Adderall to Lee Chatfield and two Lansing lobbyists "20 to 30 times."

Lee Chatfield's attorney, Mary Chartier, was not able to be reached for comment in time for publication however she told the News that her client "vehemently denies" what was alleged within the affidavits.

According to the News, those same affidavits go on to note that Bryan Ferguson, an employee within the AG's financial crimes section, indicated that it was alleged "Chatfield, along with others engaged in a criminal enterprise, which included embezzlement, campaign finance violations, bribery, the use, possession and delivery of controlled substances, misconduct

in office and income tax evasion."

The News similarly reported that Rebekah Chatfield, who is married to Aaron Chatfield, told investigators she participated in a system where she and Aaron would cash checks written by Lee's political consultant, Anne Minard, to provide back to the legislator. Minard also oversaw Lee's fundraising accounts.

"The cashed checks coincided with trips Chatfield took with Aaron Chatfield, and others, to Detroit, Miami, Las Vegas, Aspen or the Bahamas," the affidavit signed by Ferguson said, according to the News. "Rebekah Chatfield believed the money was used by (Lee) Chatfield to pay for hotel rooms, travel, prostitutes and controlled substances."

Following publication of the News article, House Minority Leader Donna Lasinski issued a statement slamming the lack of a House-led investigation into the ex-speaker's conduct.

"Just last week, we publicly outlined this culture of corruption that has taken hold — this is exactly what we were talking about," Lasinski said in a statement. "We still do not know the details of how Chatfield managed his political and government staff, taxpayer dollars, and manipulated the House of Representatives toward his political, fundraising, and criminal goals."

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Training/Overview of the Code

Our lobbyist training video, which gives an overview of the Code and walks through the registration and online filing process step by step, is available on klec.ky.gov, and also on the LRC Capitol Connection page at <https://www.youtube.com/watch?v=ojKIWUNV8po&feature=youtu.be>

We also are happy to set up a training on request! Just contact us.

Our PowerPoint overview of the Legislative Ethics Code is available for reference on klec.ky.gov, and also on the LRC Capitol Connection page at <https://www.youtube.com/watch?v=I4FjvhrSoao>. Feel free to watch!

To register as a lobbyist or employer, please email the required scanned paperwork to Donnita Crittenden or Lori Smither or fax to (502) 573-2929. Blank forms may be found here:

<https://klec.ky.gov/Forms/Pages/Get-Blank-Forms.aspx>

Please contact us with any questions or concerns!

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Trivia Answer

No. A legislator cannot receive any compensation for an appearance, speech or article, unless it's related to his or her employment outside the legislature and unrelated to his or her legislative position.