Cover Story

Special Report

President Obama's fight against special interests boomerangs as lobbying firms just get richer.

K Street Paradox

By Bara Vaida

At last month's White House health care summit, John McCain accused his 2008 presidential rival of cutting a shady deal to get a reform bill passed.

"Both of us during the campaign promised change in Washington," the Republican senator from Arizona said of the Democrat's health care legislation. "Unfortunately, this product was not produced in that fashion. It was produced behind closed doors. It was produced with unsavory—I say that with respect—deal-making."

President Obama cut off McCain's rant, creating one of the few moments of levity during the soporific six-hour meeting: "John, we're not campaigning anymore."

That's not entirely true. Obama has continued his campaign against Washington's special interests—and has seen paradoxical results. The more the president tries to implement ambitious policy reforms, the more he has been forced to broker deals with entrenched business interests. Even as he tries to control lobbyists, K Street earns more money. Those seeking to sway Washington spent a record $3.47 billion in 2009, the influence industry's most lucrative year ever, even as the nation's economy was struggling to emerge from the recession. And none of the president's efforts have gotten to the root of what many say is the real problem in Washington—money in politics.

The K Street Crowd

13,742 (2009)
14,446 (2008)

Number of active registered lobbyists, according to the Center for Responsive Politics

QUIXOTIC QUEST: The White House bashes lobbyists, but it has been forced to work with them to move signature reform issues.

“Obama has created PR problems for himself by being so strident about keeping special interests out of deal-making,” said Doug Pinkham, president of the Public Affairs Council. “Because when he does meet with them, he leaves himself open to criticism for meeting with them.”

One deal Obama made was with Billy Tauzin, outgoing CEO of the Pharmaceutical Research and Manufacturers of America. The former GOP House member and other drug-industry officials met with White House aides and Senate Finance Committee staff members numerous times, ultimately carving out an $80 billion agreement to reduce prescription costs for seniors. In exchange, Tauzin’s group spent more than $150 million in advertising to support the Democrats’ health care reform plan and received assurances that Democrats wouldn’t push for the

STEPHEN F. HAYES/GETTY IMAGES

■ Bill Samuel

LIZ LYNCH

AFL-CIO lobbyist says Obama is "naive" to think his rules have had any real effect on K Street.

reimportation of U.S.-made prescription drugs from developed countries, something Obama had backed during his campaign.

"What Obama found was the reality that these interests are very powerful and that he had to deal with them," said Paul Blumenthal, a senior writer at the Sunlight Foundation, a nonprofit that uses technology to make government more transparent. "He reneged on his promise on drug cost control policies to get the millions of dollars in advertising that PhRMA spent on promoting health care reform."

While Obama was criticizing Wall Street and its lobbyists, financial services titans—including UBS Americas CEO (and Obama campaign bundler) Robert Wolf, Goldman Sachs CEO Lloyd Blankfein, and JPMorgan Chase chief Jamie Dimon—were invited to multiple meetings at the White House, visitor records show. Andy Stern, president of the Service Employees International Union, visited the White House more than two dozen times during 2009. In early January, under pressure from the SEIU and other unions, Obama agreed to scale back a plan to tax expensive health insurance plans that most health care economists say was one of the most important ways to offset costs.

Larry O'Brien, a Democratic operative and founder of the OB-C Group, a lobby shop, sees a double standard. "There's an inconsistency between the treatment of some people who are technically classified as lobbyists and others [such as CEOs] who are engaged in lobbying but are not" so classified, O'Brien said. "The distinctions are highly artificial the way the administration uses them. People who are trying to persuade the government of outcomes are clearly engaged in lobbying."

That inconsistency may be one reason the public is growing more skeptical about Obama's promise to reduce lobbyists' power. In a poll conducted February 2-4 by the Democratic firm Greenberg Quinlan Rosner Research for Public Campaign, a reform group, just 35 percent of respondents said that the president has made an effort to reduce the influence of special interests, and half said that lobbyists' influence has increased over the past year.

"The problem is that the administration has said they have changed things, but people can see that things haven't changed," said Melanie Sloan, executive director of Citizens for Responsibility and Ethics in Washington. "Special interests have more influence than ever. Campaign money is flowing, and lobbyists are winning their campaigns."

■ Where the Time Went

Budget and appropriations was the top issue that lobbyists reported in their 2009 disclosure filings.

LOBBYING REGISTRATIONS, BY ISSUE (2009)

Budget/appropriations	**5,190**
Health issues	2,476
Defense	1,967
Taxes	1,818
Energy/nuclear power	1,747
Transportation	1,723
Environment/Superfund	1,259
Education	1,081
Medicare/Medicaid	978
Trade	873

SOURCE: Center for Responsive Politics

K Street Is Booming

"$1.3 million per hour."

That eye-popping number doesn't refer to the salary of a Wall Street banker, a health insurance CEO, or an oil company executive. It's what K Street reported in fees in 2009, according to a recent analysis by the Center for Responsive Politics. The center derives the provocative number by dividing the amount of money lobbyists and other entities received to influence Congress and the executive branch (a record $3.47 billion, up 5 percent from 2008) by the number of hours Congress was in session (2,668). Although the figure is somewhat hyperbolic—lobbyists work many hours when Congress isn't in session—the message is clear.

"The numbers just keep going up, up, up," the center's executive director, Sheila Krumholz, said. "I was surprised, given the state of the economy last year."

Although the year on K Street started off slowly, with many lobbying firms reporting cuts in their fee income during the first few months, the downturn flattened as the year went on. Ironically, the White House's ambitious policies fueled the boom, with Obama's "change" agenda effectively making Washington the center of the country as it tackled financial services reform, energy reform, health care reform, and the $819 billion stimulus package. Even as Obama clamped down on "special interests," corporations rushed to Washington and hired lobbyists to shape legislation in their favor. According to the center,

RICHARD A. BLOOM

> "People who are trying to persuade the government of outcomes are **clearly engaged in lobbying.**"
>
> —Larry O'Brien, founder of the OB-C Group

15,712 companies or entities reported that they lobbied the federal government in 2009, 663 more than in 2008.

"It's been one of the busiest years that I have seen in a long time," said John Castellani, president of the Business Roundtable, a trade group that reported spending $13.4 million on lobbying, as its 160 corporate members engaged on almost every major piece of legislation that Congress took up this year. "Depending upon the issue, we were playing offense and defense."

Wayne Berman, a Republican and a managing director of Ogilvy Government Relations, which raked in $21.7 million in lobbying fees in 2009, said, "The president and the Democratic congressional leadership have embarked on an all-out assault on a wide range of economic interests, and those interests have sought to protect themselves by dramatically increasing their lobbying budgets."

Lobbying firms run by prominent Democrats Tommy Boggs, Norman Brownstein, and Tony Podesta were among the biggest winners last year. Patton Boggs reported lobbying fee income of $40 million, Brownstein Hyatt Farber Schreck recorded fee income of $23.5 million, and the Podesta Group posted fee income of $25.7 million, making them three of the five most successful firms on K Street, according to lobby disclosure documents.

Health care-related lobbying, in particular, drove profits on K Street. The Center for Public Integrity reported that 4,525 lobbyists were working on health care reform last year—which works out to eight for every member of Congress. According to the Center for Responsive Politics, pharmaceutical and health products companies spent a total of $266.8 million on lobbying, making it the top-spending industry for the year.

Still, the economy took a toll on K Street firms, even those with ties to prominent Democrats. Akin Gump Strauss Hauer & Feld (co-founded by prominent Democrat Robert Strauss), Cassidy & Associates (founded by Democrat Gerald Cassidy), and Quinn Gillespie & Associates (co-founded by Democrat Jack Quinn), all posted declines in year-over-year lobbying fees. Six out of the top 25 firms posted lower fee income for 2009 than for the previous year. *(See chart, p. 26.)*

"The downturn in the economy had a significant impact on a number of firms," said Quinn, who is now chair of the firm. "Business started getting better the second half of the year, and we were able to maintain our absolute profit margins, year-over-year." His firm is poised for stronger growth in 2010, Quinn said, particularly in public-relations work.

Idealistic Quest?

Even amid the overall K Street boom, Obama has been on a possibly quixotic quest to change Washington by reining in lobbyists' interaction with government. He began with an executive order aimed at excluding recently registered lobbyists from political appointment posts, pledging to close the revolving door between government and lobbying.

Last March, Obama set restrictions on communications between lobbyists and government officials relating to stimulus funds—a regime that the administration eventually extended to everyone seeking stimulus money during the grant application process. In September, Obama banned lobbyists from government advisory boards and commissions. He also put White House visitor logs online (which enabled anyone to see which representatives of special interests were entering the mansion), and he is pushing federal departments and agencies to develop plans for making their contacts with lobbyists more transparent to the public.

Watchdog groups Common Cause, Democracy 21, the League of Women Voters, and U.S. PIRG applauded the moves in a joint statement that administration officials "have begun the difficult process of changing the way business is done in Washington." Meredith McGehee, policy director at the Campaign Legal Center, adds, "Things have been so wildly out of

Misplaced Edict

LIZ LYNCH

Larry Ottinger, president of the Center for Lobbying in the Public Interest, is unhappy that White House rules have locked out public-interest advocates.

control that someone had to come and do something, and I think Obama is doing things to make the system more balanced."

Insiders think that the rules may have had the unintended consequence of making lobbying less transparent. The administration has relied on the definition of "lobbyists" in the 1995 Lobbying Disclosure Act, which sought to impose uniform disclosure standards on the industry. The law has loopholes, however, that allow huge swaths of the influence industry—including grassroots advocacy and public-relations campaigns—to remain in the shadows.

Numerous regulations require lobbyists to register with the House and Senate; the key rule, however, applies to those who spend at least 20 percent of their time on lobbying activities and make at least two lobbying contacts during a calendar quarter. For many years, people registered "out of abundance of caution, or to show off their clients," Thomas Susman, director of government affairs at the American Bar Association, said. "There was no downside."

Now that lobbyists have become a punching bag for politicians, many people have been looking at ways to avoid registering—or to deregister from the official congressional roster.

Going Underground

The number of lobbyists dropped last year for the first time since 2001, to a total of 13,742, according to the Center for Responsive Politics. In 2008, 14,446 people were registered to lobby.

Norman Eisen, Obama's passionate special counsel for ethics and government reform, cites this drop in registrations as evidence that the president's policies are working. "We are bending the cost curve on demand for lobbyists," said Eisen, who was a classmate of Obama's at Harvard Law School. "I am certain of it because I talk to political appointees and career people at government agencies, and there are many fewer lobbyists lobbying the executive branch." *(See "Ethics Gatekeeper," p. 28.)*

Lobbyists disagree. Bill Samuel, legislative director for the AFL-CIO, which campaigned for Obama, said that using that metric to quantify the administration's success is "naive." Plenty of special interests, including his group, still have access to the administration, he says.

"Corporate interests have every bit as much influence as they ever had, whether it's direct or indirect," Samuel contends. "The [administration] chose a fairly narrow definition of lobbying, and the distinctions are pretty artificial. Interests have

The Top 25 Lobbying Firms of 2009

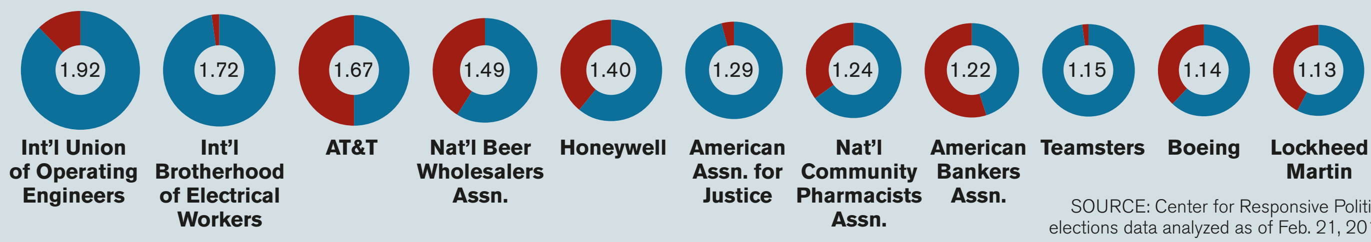
	Lobbying Firm	2009 Revenue	2008 Revenue	Change
1.	Patton Boggs	$40,000,000	$38,935,000	2.7%
2.	Akin Gump Strauss Hauer & Feld	32,220,000	34,530,000	-6.7
3.	Van Scoyoc Associates	27,425,000	25,685,000	6.8
4.	Podesta Group	25,690,000	15,930,000	61.3
5.	Brownstein Hyatt Farber Schreck	23,530,000	14,655,000	60.6
6.	Cassidy & Associates	22,260,000	23,310,000	-4.5
7.	Ogilvy Government Relations	21,720,000	20,740,000	4.7
8.	Holland & Knight	21,190,000	14,640,000	44.7
9.	Dutko Worldwide	19,800,000	20,400,000	-2.9
10.	K&L Gates	18,520,000	14,990,000	23.5
11.	Hogan & Hartson	18,090,000	17,960,000	0.7
12.	Williams & Jensen	17,060,000	16,230,000	5.1
13.	BGR Group	15,430,000	17,900,000	-13.8
14.	Quinn Gillespie & Associates	13,570,000	16,240,000	-16.4
15.	Cornerstone Government Affairs	12,760,000	11,150,000	14.4
16.	Venable	12,374,000	8,770,000	41.1
17.	Ferguson Group	11,930,000	10,540,000	13.2
18.	Capitol Tax Partners	11,895,000	11,270,000	5.5
19.	Washington Council Ernst & Young	11,230,000	10,800,000	4.0
20.	Alston & Bird	11,170,000	8,080,000	38.2
20.	McBee Strategic Consulting	11,170,000	9,150,000	22.1
22.	Breaux Lott Leadership Group	11,025,000	8,045,000	37.0
23.	Alcalde & Fay	10,830,000	10,640,000	1.8
24.	DLA Piper	10,550,000	11,670,000	-9.6
25.	Covington & Burling	10,405,000	9,813,000	6.0
	Totals	**$441,844,000**	**$402,073,000**	**9.9%**

SOURCE: Senate Office of Public Records LDA filings and company data

Where the Money Went

Corporate PACs continue to pour money into campaigns; all except one on our chart donated heavily to Democratic candidates. The exception was the banking industry, which gave more to Republicans.

Top Spending PACs (2009-10 cycle, in millions of dollars) % to Democrats % to Republicans



SOURCE: Center for Responsive Politics elections data analyzed as of Feb. 21, 2010

other ways of influencing. CEOs come in who aren't registered lobbyists."

Eisen acknowledges that company executives and lawyers may be acting as "surrogates" for lobbyists when they talk to the executive branch, but he is confident that the administration has curbed special-interest influence through increased transparency and strict revolving-door rules.

Many K Streeters say that the real reason for the decline in lobbying registration numbers is that influence-peddlers have found ways around the rules. "People are trying to game it so

The Top 25 Lobbying Spenders of 2009

Organization	2009 Spending	2008 Spending	Change
1. **U.S. Chamber of Commerce**	$123,306,000	$62,340,000	97.8%
2. **ExxonMobil**	27,430,000	29,000,000	-5.4
3. **PhRMA**	26,150,520	20,220,000	29.3
4. **General Electric** (including subsidiaries)	25,520,000	18,660,000	36.8
5. **Pfizer**	21,930,000	12,180,000	80.0
6. **AARP**	21,010,000	27,900,000	-24.7
7. **Institute for Legal Reform** (U.S. chamber)	20,860,000	29,210,000	-28.6
8. **Chevron**	20,815,000	12,844,000	62.1
9. **American Medical Association**	20,190,000	20,090,000	0.5
10. **National Association of Realtors**	19,387,000	17,220,000	12.6
11. **American Beverage Association**	18,850,000	667,590	2,723.6
12. **ConocoPhillips**	17,889,858	8,459,053	111.5
13. **Boeing**	16,850,000	17,540,000	-3.9
14. **FedEx**	16,370,000	8,855,000	84.9
15. **American Hospital Association**	16,300,000	16,730,000	-2.6
16. **BP America**	15,990,000	10,450,000	53.0
17. **Nat'l Cable & Telecommunications Assn.**	15,980,000	14,420,000	10.8
18. **Northrop Grumman**	15,180,000	20,663,252	-26.5
19. **AT&T** (and affiliates)	14,729,673	15,076,675	-2.3
20. **Southern Co.**	13,450,000	13,980,000	-3.8
21. **Business Roundtable**	13,410,000	13,320,000	0.7
22. **Lockheed Martin**	13,230,000	15,390,000	-14.0
23. **Verizon** (and affiliates, except Verizon Wireless)	13,120,000	13,690,000	-4.2
24. **Altria Client Services**	12,770,000	13,840,000	-7.7
25. **Comcast**	12,590,000	12,500,000	0.7
Totals	**$553,308,051**	**$445,245,570**	**24.3%**

SOURCE: Senate Office of Public Records LDA filings they can show on a work spreadsheet that they are spending 19.99 percent of their time lobbying, rather than the 20 percent that requires you to register," said one corporate lobbyist who didn't want to be named. As Kelly Bingel, a partner with Mehlman Vogel Castagnetti, puts it, "I think we've moved backwards in terms of disclosure. I'm seeing heads of [Washington corporate] offices on the Hill, and they aren't registering."

Stefan Passantino, a partner at McKenna Long & Aldridge, and other lawyers are doing a brisk business in advising lobbyists on the registering and deregistering strictures. "Whenever you create rules," he says, "people will try to figure out how to modify their behavior so they aren't subject to it."

The revolving-door rules and the ban on lobbyists' serving on government boards have angered even some of Obama's allies. "We support the president's goal to boost the public interest over the special interests," says Larry Ottinger, president of the Center for Lobbying in the Public Interest. "But this reliance on using the lobbyist definition to keep public-interest advocates out of public service has ended up undermining rather than advancing that goal."

The AFL-CIO's Samuel calls the ban on lobbyists serving on government boards "a mistake." He says, "We served on a number of trade advisory groups and other commissions. Unions represent 16 million [union] workers and other workers who aren't union members. It's not like banks or corporations."

Some K Streeters think that the decision banning lobbyists from boards will do the opposite of what Obama intended. Stephen Lamar, executive vice president of the American Apparel & Footwear Association, who chaired one of the trade advisory panels, said, "We think rather than increasing the diversity of voices, it will decrease them. We represented many small businesses. And those small businesses don't have the money and time to participate in these panels, so now their voices won't be heard."

Many lobbyists say that Obama's rules have done little more than generate "atmospherics" of change while making minimal or no impact on business as usual. "Dealing with the Congress is no different than it was three or four years ago in this regard," veteran lobbyist Quinn said. "Much ado has been made

Ethics Gatekeeper

Norman Eisen, President Obama's special counsel for ethics and government reform, has had a busy first year. Eisen is charged with overseeing the administration's new ethics rules and lobbying restrictions as well as ensuring that executive branch staff members follow them. He spoke about the rules' impact on the way business is done in Washington with *National Journal* Staff Correspondent Bara Vaida. Edited excerpts of the interview follow.

NJ: What has the administration accomplished with these lobbying rules?

Eisen: They set the tone that this president was going to do things differently. You don't just have to take our word for it. Everyone from outside independent reform groups to the 5,000-plus ethics officers who run the day-to-day operations of the executive branch say that the new rules have been a breakthrough in ethics and lobbying reform. We closed the revolving door for everyone, lobbyists and non-lobbyists alike, entering government and banned them from lobbying the administration when they leave. We banned gifts from lobbyists, and we imposed the toughest rules on lobbyist interactions with government of any administration.

NJ: Critics say that you are focusing too narrowly on lobbyists to curb the influence of special interests and that there are many others who aren't registered to lobby who are wielding influence. How have you changed anything?

Eisen: That is why we closed the revolving door for everyone, not just lobbyists. That is why, with the stimulus, we restricted communications between government officials and both lobbyists and non-lobbyists, and that is also why we opened up the White House visitor logs to the public. That isn't just a lobbyist restriction. We have attempted to broaden the rules.

NJ: Why do you think these rules have reduced the influence of special interests in the executive branch?

Eisen: I know executive branch lobbying is down because I talk to the agencies and I know they are talking to fewer lobbyists. The experts agree—for example, the Congressional Research Service has acknowledged that our rules have changed the relationship between lobbyists and the executive branch.

NJ: But aren't companies sending in their executives who aren't registered lobbyists to talk to government agencies instead?

Eisen: There may be some element of surrogacy. But there is a value to having actual small-business owners and heads of community organizations and other new voices and new faces from outside the Beltway interact with the government. It's hard to quantify, but I have no doubt that we have reduced the influence of special interests.

NJ: You've used the number of registered lobbyists as the metric to prove your point, and that number is down. The AFL-CIO's Bill Samuel called you "naive" for thinking that.

Eisen: Listen, you can't objectively look at the record and say we haven't made a difference. We think the verdict of the reform groups who have been studying this problem for decades and gave us an A, and of the Congressional Research Service, is accurate.

NJ: But the president is still meeting with lobbyists and CEOs. How do we know they aren't wielding undue influence?

Eisen: The point is, the playing field has historically been tilted—and grossly tilted. We believe we have begun to level the playing field with our historic reforms. We never said that lobbyists don't have the right to speak. Of course they and their clients have a right to of the [Obama] rules, but the fact is that the proscriptions on contacts with lobbyists for the most part are narrowly limited to [the bank bailout] or stimulus-related spending, and that didn't have that much effect."

Obama Rules: Year Two

Indeed, Obama is now focusing his attention on lobbyists and Congress. In his State of the Union address, Obama called for new limits on lobbyists' campaign contributions and bundling activities, and for new requirements under the Lobbying Disclosure Act. Lobbyists, he said, should have to report every contact with lawmakers, staff, and members of the executive branch and the substance of the interaction. The president also wants to toughen the threshold that requires lobbyists to register, below the current 20 percent time regulation in the law.

"We face a deficit of trust—deep and corrosive doubts about how Washington works that have been growing for years," Obama said in his State of the Union speech. "To close that credibility gap, we have to take action on both ends of Pennsylvania Avenue to end the outsized influence of lobbyists, to do our work openly, and to give our people the government they deserve."

This latest proposal left some lobbyists reeling. "Some of us are joking that the next proposal will be to put RFD tracking chips in lobbyists necks so they know where we are at all times," said Rich Gold, a partner at Holland & Knight. "We are either just over, or significantly over, the line on the administration's approach on these issues. I don't think this is improving people's trust in government." Bob Maloney, founder of Maloney Government Relations said, "Requiring us to report every contact would be a nightmare. What if I run into a lawmaker or their staff in the elevator or cafeteria or socially? Would I have to report that? If I did, the staff would never talk to me again."

Obama's focus on lobbyists again leaves out the many special-interest influencers—such as lawyers and CEOs—who don't have to register. Gina Mahony, policy director at Brownstein Hyatt Farber Schreck, wrote on National Journal's *Under the Influence* blog: "Let's be honest about how lobbying really works.

Norman Eisen

RICHARD A. BLOOM

"The Congressional Research Service has acknowledged that our rules have changed the relationship between lobbyists and the executive branch."

petition the government. The point is that they don't have the right to special or undue influence that drowns out the people's voice.

■ NJ: The president said he wants to reform the Lobbying Disclosure Act. Current rules require a person to register as a lobbyist if he or she spends more than 20 percent of the time lobbying on behalf of a client. To what level does the president want to lower that threshold?

■ Eisen: He feels strongly that it needs to get to below 20 percent and that we need to have a process and talk about what level. But that isn't the only loophole in the lobbying act. Why not require lobbyists to disclose every meeting throughout government like we disclose every visitor to the White House? The forms are too general and don't provide enough detail. We think lobbyists should be held to a higher standard.

■ NJ: Why make lobbyists report every contact? Why not make lawmakers post their schedules online instead?

■ Eisen: Government officials do a lot with limited resources and there are substantial burdens that are associated with these reporting requirements. We think the burden should be on the lobbyists.

■ NJ: Is this aimed at capturing those who are unregistered "strategists" but lobby anyway?

■ Eisen: The president thinks there should be improved and tougher disclosure for lobbyists. He thinks the threshold should be below 20 percent. There isn't an on-and-off switch. If folks are spending 19 percent of their time lobbying, that is still lobbying; and the president thinks that the law should track more closely with that.

■ NJ: Will he push for lobbying fixes as part of the reform he has called for in response to the *Citizens United v. Federal Election Commission* case?

■ Eisen: The Hill is focused and we are focused on addressing the damage that was done by *Citizens United*. That is an urgent priority, and we are very pleased that Congress is treating it as a priority and working with us on it. The president has also laid down what the full reform agenda should be moving forward. **—B.V.**

If you really want transparency and intellectual honesty about how this 'nefarious' industry works, then let's require 100 percent disclosure of all advocacy contacts."

Lawmakers haven't expressed much interest in embracing the lobbying reforms. Many members of Congress count lobbyists among their friends, and some even have aspirations to join the profession (witness the 318 former lawmakers who have registered to lobby since 1998, according to the Center for Responsive Politics).

Rep. Chellie Pingree, D-Maine, who formerly headed Common Cause, supports Obama's lobbying reforms but thinks that the president should put his second-year spotlight on campaign finance reform. "I would spend more time focusing on the influence of money, because I don't think it's about the time you spend with lobbyists; it's about the influence of money on the process," said Pingree, who has made passing a public financing bill, the Fair Elections Now Act, one of her top priorities. "When an interest with money comes in to lobby you, and after the meeting as they walk out the door, they say, 'Hey, I am happy to organize an event and help you with your campaign,' that is where things get confused." Pingree is a co-sponsor of the public financing proposal, which would provide matching payments for qualified small-dollar contributions; it has 140 backers in the House and 10 in the Senate.

Democratic leaders in Congress are focused on campaign finance reform but not on public financing. In January, the Supreme Court struck down limits on independent campaign expenditures by corporations, nonprofits, and unions. Republicans applauded the decision in *Citizens United v. Federal Election Commission* as a victory for free speech, but government reform groups and many Democrats fear that it will unleash a new flood of money in elections. Obama urged Congress to quickly pass legislation to slow the potential inundation.

Sen. Charles Schumer, D-N.Y., and Rep. Chris Van Hollen, D-Md., unveiled a framework for action in early February to address the *Citizens United* decision, and they are expected to introduce legislation this month to impose restrictions and disclosures on company executives to try to limit independent expenditures by corporations, unions, and nonprofit advocacy groups.

The measure doesn't include any of the lobbying reform proposals that Obama called for in his State of the Union, because "we are totally focused on addressing *Citizens United* right now," a Democratic aide said. The White House is actively working with Schumer and Van Hollen on the proposal.

Pingree says, however, that Congress is missing an opportunity by not addressing public financing. "We have this level of awareness, like when you have a major scandal, everyone says, 'Oh, we have to clean this whole place up,' " she said. "I see this as an open door, and we may as well go in and try and change the whole system, not just a piece of it."

When asked whether Obama would support the Fair Elections Now Act, Eisen said, "The president supports public financing for presidential elections." Obama has not endorsed a similar system for congressional elections.

Pingree perhaps speaks for many both inside and outside the ranks of lobbyists when she concludes, "Without looking at the influence of money, there isn't really going to be change in Washington.

Staff Correspondents Julie Kosterlitz and Peter H. Stone and Contributing Editor Eliza Newlin Carney contributed to this article. The author can be reached at bvaida@nationaljournal.com.

Top Clients of the Top 5 Firms

From January 1 to December 31, 2009

1 Patton Boggs

1. Mars Inc.	$1.31 million
2. Mortgage Investors Coalition	840,000
3. YRC Worldwide	800,000
3. Kidney Care Partners	800,000
5. Hewitt Assoc.	650,000

2 Akin Gump Strauss Hauer & Feld

1. Gila River Indian Community	$1.31 million
2. Moody's Corp.	1.24 million
3. Empresas Fonalledas	960,000
4. Coalition for 21st Century Patent Reform	920,000
5. KKR & Co.	820,000
5. Mortgage Insurance Companies of America	820,000

3 Van Scoyoc Associates

1. Troop Support Coalition	$670,000
2. Coalition of EPSCoR States	400,000
3. University of Alabama	360,000
4. DRS Technologies (unit of Finmeccanica SpA)	320,000
5. Dallas Area Rapid Transit Authority	300,000

4 Podesta Group

1. Google	$600,000
2. General Dynamics	560,000
3. Genzyme Corp.	510,000
4. Alliance for Quality Nursing Home Care	480,000
4. Harrah's Entertainment	480,000

5 Brownstein Hyatt Farber Schreck

1. Apollo Advisors	$2.4 million
2. Lennar Corp.	990,000
3. SkyTerra Communications	520,000
4. Coalition to Reform the Foreign Investment in Real Property Tax Act of 1980	500,000
5. Nat'l Cable & Telecommunications Assn.	480,000

SOURCE: Lobbying Disclosure Act filings at the Senate Office of Public Records

NationalJournal.com
Watch a video about Sam Ward, Gilded Age lobbyist and man-about-town, by visiting this story online.