

### **Amendment 623– Prohibits funding for 13 earmarks to entities related to an ongoing federal corruption investigation**

The omnibus bill contains at least 13 earmarks directed to clients of a lobbying firm currently under investigation for questionable campaign donation practices. This amendment would prohibit funding in the bill from going to these entities in light of the current investigation.

### **Omnibus funds 13 earmarks, costing more than \$10 million, to clients of lobbying firm under federal investigation for suspicious campaign donation practices**

The omnibus appropriations bill under consideration in the Senate this week contains at least 13 earmarks, totaling more than \$10 million, directing taxpayer funding to clients of the PMA Group, a lobbying firm currently under federal investigation.

In November 2008, the offices of the PMA Group lobbying shop were raided by the FBI and Defense Department investigators, under suspicions related to campaign donations and political favors for the group's clients.

Numerous news articles have outlined suspicious patterns in the large PMA-related campaign donations to certain members of Congress, who later secured earmarks for PMA clients. In addition, several individuals listed as donating to politicians through PMA, were actually not employed by the firm despite being listed as such in financial disclosure documentation.

### **Congress cannot place its stamp of approval on federal funding to clients of a firm under federal investigation**

While some of these earmarks are directed to worthy institutions with laudable goals, Congress should not allow taxpayer funding to be directed to clients of a company under federal investigation for questionable campaign donations.

The goal of this amendment is not to punish those caught in the crosshairs of a federal investigation, but to ensure the integrity of this body.

Although we do not know the full scope of the FBI's investigation, we do know that the investigation is taking place. The Senate cannot and must not knowingly direct federal money to entities that are clients of a firm undergoing federal investigation corrupt campaign activities related to donating money to members of Congress.

Convicted lobbyist Jack Abramoff referred to the appropriations committee as a "favor factory" for lobbyists who could secure earmarks for clients in exchange for campaign donations. The PMA scandal reveals that once again Washington's habits are riddled with corruption and lack of accountability.

It is incumbent upon Congress to hold the highest ethical standard in protecting the integrity of this body and our democratic process.

The citizens of Oklahoma and those living across this nation deserve that those elected to serve them here in Washington will demand honesty, accountability, and transparency when it comes to how the government spends their money.

### **PMA Investigation Background**<sup>1</sup>

The PMA Group is a lobby shop, specializing in defense-related earmarks, located in Arlington, Virginia. It was founded in 1989 by Paul Magliochetti, a former House Appropriations Committee staffer for Congressman Murtha of Pennsylvania.

On February 9, 2009, *Roll Call* reported that several PMA officers were raided in November 2008 by the FBI. The *New York Times* reported one day later that “federal prosecutors are looking into the possibility that a prominent lobbyist may have funneled bogus campaign contributions” to members of Congress.

*Roll Call* then reported on February 11, 2009, that “the defense-appropriations-focused lobbying shop that the FBI raided this November” had in recent years “spread million of dollars of campaign contributions to lawmakers.”

On February 19, 2009, *CQ Today* reported that 104 members of the House (nearly a fourth of the body) secured earmarks for “projects sought by clients of the firm in the 2008 defense appropriations bills,” and that 87 percent of these members received campaign contributions from PMA. The *CQ* article went on to explain that members who secured earmarks for PMA clients have collected more than \$1.8 million in campaign donations from PMA-related entities and individuals.

*The Hill* also reported on February 10, 2009, that PMA “earned more than \$14 million in lobbying revenue.” Typically, when a lobby shop secures an earmark for an entity, they receive payment for their lobbying services by taking a percentage of the total earmark funding level.

The lobby shop’s historical pattern of campaign contributions has also been questioned. According to Taxpayers for Common Sense (TCS), in 2008, PMA clients received \$299 million worth of earmarks. In that same year, PMA founder Magliochetti “personally gave \$98,000 in campaign donations last year, according to campaign records.” In addition, Magliochetti’s wife, Rebecca De Rosa, also donated \$73,000 of her own money to various congressmen, while listed a part-time accountant at the lobby firm.

A February 14, 2009 *Washington Post* article exposed that PMA’s disclosure forms listed two individuals, Marvin Hoffman and John Hendrickson, as lobbyists on staff with PMA and as donors to various members of Congress in their capacity as PMA lobbyists. However, neither individual was actually employed with the company. Hendricksen is a

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<sup>1</sup> Much of this information is from the privileged resolution, H.Res. 85, 111<sup>th</sup> Congress.

sales manager in New Jersey and although he had made political donations, he has never worked at PMA.

According to the *Post*, “Federal investigators are focused on allegations that PMA founder Paul Magliocchetti, a former appropriations staffer close to [Rep. John P. Murtha](#) (D-Pa.), may have reimbursed some of his staff to cover contributions made in their names to Murtha and other lawmakers, according to two sources familiar with the investigation. PMA has long had a reputation for securing earmarks from congressional appropriators, particularly for defense contractors, and it has donated generously to influential members of Congress.”

Also according to the *Washington Post* article, “In the last election cycle, PMA and its clients donated \$775,000 to Murtha's campaigns. Last year, those clients received earmarks worth \$299 million and arranged by Murtha and his colleagues.”

The article goes on to detail that two additional men living in Florida were listed in disclosure reports as together donating \$30,000 to various members of Congress and were listed as PMA “directors,” despite the fact they both live and work (for a hotel and golf club respectively) in the “Florida resort community of Amelia Island, where PMA founder Magliocchetti has a beachfront condominium.” These two men “donated identical amounts to the same lawmakers, in 12 installments each, almost always on the same date.”