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 Date: Wed, 7 Mar 2012 17:48:17 +0000
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Settling in to Washington's ways

By Dana Milbank<http://www.washingtonpost.com/dana-milbank/2011/02/24/ABhhJwl_page.html>,
 Published: March 6

Three years into his presidency, Barack Obama has finally overcome his pesky, puritanical aversion to K Street.

As a candidate, Obama

pledged<<http://www.washingtonpost.com/wp-dyn/content/article/2009/01/21/AR2009012103472.html>> that lobbyists "will not run my White House. But on Monday, the president brought in one of this town's most prominent lobbyists to run his White House — or at least a nice piece of it.

Steve Ricchetti<http://www.washingtonpost.com/blogs/44/post/biden-hires-president-of-a-lobbying-firm/2012/03/05/gIQAFCMGtR_blog.html>,

whose long list of lobbying clients included Fannie Mae, General Motors, the American Hospital Association and Eli Lilly, was tapped to be counselor to Vice President Biden.

Ricchetti achieved this feat — getting around the ban on lobbyists serving in the administration — by using one of Washington's most-honored traditions: the loophole. Just as Obama won the presidency, Ricchetti de-registered as a lobbyist for his various clients. But he remained president of the lobbying firm that continued to work for many of those same clients, as well as a few more, such as the American Bankers Association.

Only in today's Washington could a president circumvent his own ban on hiring lobbyists by hiring the head of a lobbying firm.

Ricchetti no doubt will give Biden excellent counsel; he has more than a quarter-century of experience in politics and government, and he is highly regarded around town. But his appointment shows just how flimsy Obama's ethical reforms have been — and how absurd the official standards are for who is a "lobbyist" in the influence industry. For many Americans, this sort of chicanery adds to a suspicion that the fix is in.

Ricchetti has been through the revolving door more often than a bellhop at the Mayflower Hotel: Blue Cross Blue Shield, then the Democratic Senatorial Campaign Committee, then the Clinton White House, then lobbying, then back to the Clinton White House, then more lobbying, this time starting Ricchetti Inc. with his brother, Jeff. (A call seeking comment from Ricchetti Inc. wasn't returned.)

The brothers recently started another firm, Midwest Gateway Partners<<http://midwestgateway.com/>>, with former Ohio governor Ted Strickland. National Journal reported<<http://mobile.nationaljournal.com/politics/ex-ohio-gov-ted-strickland-launches-consulting-firm-20110729>> last year that the firm would "do some lobbying work." Steve Ricchetti's bio was removed from Midwest's Web site this week.

Ricchetti's hiring is not a unique event. Obama's campaign has hired Broderick Johnson<<http://www.opensecrets.org/news/2011/10/broderick-johnson-revolving-door.html>>, who had been a lobbyist for Microsoft, Comcast and TransCanada, the company seeking to build the Keystone XL pipeline. Earlier, Obama administration officials got around their self-imposed rule (which prevents a lobbyist from serving for two years) by granting waivers to people Obama sought to appoint, such as former Raytheon lobbyist William Lynn, who got a top job at the Pentagon.

The leniency shown to Ricchetti and Lynn might not be so awkward if Obama hadn't enforced his ethics policy more vigorously in other cases. The administration declined to grant a waiver to Tom Malinowski<<http://www.hrw.org/bios/tom-malinowski>> so he could serve as human rights chief at the State Department; he was disqualified because he had lobbied for torture victims as an official with Human Rights Watch<<http://www.washingtonpost.com/wp-dyn/content/article/2011/01/06/AR2011010604702.html>>.

Ricchetti didn't need a waiver because he hadn't been a registered lobbyist for two years. But the timing of Ricchetti's decision to de-register as a lobbyist for his dozen clients was curious: effective in the fourth quarter of 2008. The firm later filed an amended 2008 report in July 2010, de-registering Ricchetti as a lobbyist for the hospital association.

In joining the White House, Ricchetti is trading places with one of his fellow executives at Ricchetti Inc., James Heimbach. Another revolving-door specialist, Heimbach was a lobbyist with Ricchetti until 2006, later joined the Obama White House, then returned to lobby at Ricchetti Inc.

Obama once disapproved of Ricchetti's activities<http://voices.washingtonpost.com/44/2008/02/11/clinton_fundraiser_knows_whats.html>. His campaign in 2007 criticized Hillary Clinton for having Ricchetti as one of her top fundraisers. The Obama campaign later criticized Clinton for requesting an earmark sought by a Ricchetti client.

And there were many clients over the years: AT&T, Reed Elsevier, Pfizer, Sanofi-Aventis, Siemens, Sirius XM, Amgen, Boston Scientific, America's Health Insurance Plans, eBay, Dow Chemical, the U.S. Conference of Catholic Bishops, among others, according to the Center for Responsive Politics. Cumulatively, they paid Ricchetti and his firms millions.

Now, while his brother keeps the lobbying business going, Steve Ricchetti is in a good position to help old friends. An administration official pointed out that Ricchetti will recuse himself from matters involving former clients, which is reassuring. But his latest tour in the White House should make him even more valuable as a lobbyist if and when he returns to K Street.

Such an arrangement may not violate the letter of Obama's ethics policy, but it makes a joke of the spirit of reform he promised.