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As spending bills languish, lots of projects are caught in limbo, says lobbyist Mike Fulton. Fellow lobbyist Vincent Versage says 2006 was a tough year in appropriations.

# The Earmark Roller Coaster

Delays, CRs, Proposed Reforms Are Rattling Approps Lobbyists, But 2007 Could Be A Good Year Anyway

By **Kate Ackley**  
ROLL CALL STAFF

With the 109th Congress set to fizzle out later this week, leaving behind as many as nine unfinished spending bills, the earmarks in those measures — sweated over for months by Members, aides, lobbyists and clients — are set to vanish as quickly as free booze at a firm's holiday party.

But while the disappearing earmarks might be miserable news for the universities, local governments and companies awaiting them, there appears to be a silver lining for appropriations lobbyists.

Not only will their clients need them to help resurrect the earmarks next year, but the lobbyists also will be called on to work the spending bills the new Democratic majority will be assembling. The pace promises to be hectic, as all of this is set to happen early next year against a backdrop of

# Approps Lobbyists Roll With Punches

**EARMARKS**, from page 11  
ciates, has made for "obviously a very difficult situation, one that doesn't happen very often." In 2006, Van Scoyoc said business was slow, but the expected crazed pace next year will be good for his bottom line.

"We're already seeing increased business and new clients," he said.

Steve Ellis, vice president of programs at the budget watchdog group Taxpayers for Common Sense, said that while any earmarks in unpassed appropriations bills would die by the end of the year, appropriations lobbyists aren't necessarily going to be losers, especially if Members resurrect those bills early next year, with many of the old earmarks still intact.

"The lobbyists get to be hired again next year to get those earmarks," he said. "The benefit for the lobbyists is they've got it coming and going."

Yet with all the optimism of some appropriations lobbyists, the fact remains that Congress could approve a continuing resolution that runs through fiscal 2007. And such legislation would not include earmarks.

One appropriations lobbyist, who would speak only on condition of anonymity, said that "the most important thing is to show results for your client at the end of the year." The stalled bills, he said, "hurt a lot of Members, who campaigned on getting these projects back home. And it hurts lobbyists."

Jeff Taylor, a lobbyist with Barnes & Thornburg who does appropriations work for several

clients, said that the delay of the fiscal 2007 appropriations bills into 2008 means that he could end up doing some work early next year for clients out of loyalty, even though they're not paying for it.

"I'd love for my clients to stay with me from [fiscal 2007 to fiscal 2008]," Taylor said. But in the cases where this year's clients do not rehire his firm, he said, "I would feel a certain commitment to that client, in January and February, I'm going to stick with it."

The process of enacting spending bills this year has been marred by federal investigations into earmarks as possible bribes, including one surrounding the outgoing chairman of the House Appropriations panel, Rep. Jerry Lewis (R-Calif.), as well as Republican infighting between fiscal conservatives and appropriators. In particular, Sen. Tom Coburn (R-Okla.) and Rep. Jeff Flake (R-Ariz.) have been outspoken critics of earmarks requested by Republicans and Democrats alike.

Longtime appropriations lobbyist Vincent Versage, who is with the National Group, agreed that 2006 has been the toughest one in the sector "in my 20 years of lobbying."

But, he said, "the silver lining in all of this is I think things are going to change in a way that turns the clock back to when the committee really policed the earmarks."

A decade ago, he said, there were fewer earmarked projects, and the Appropriations committees held hearings as part of the review process to make sure that

government-funded projects had a national or regional interest.

"That's something that I think all appropriations lobbyists and Members of Congress that want to do good works for their constituents would be comfortable with," he said.

Most appropriations lobbyists say they are telling clients who have earmarks in the unpassed bills that there's a good chance the earmarks could pass with the bills next year. But earmarks whose Congressional champions lost reelection would naturally be in the most peril.

Theodore Bristol, a senior vice president at B&D Consulting, said several of his clients have found themselves in that exact predicament. B&D is the lobbying arm of the Indiana law firm Baker & Daniels and does work for several Indiana clients. The firm's home state is one where three GOP incumbents lost on Election Day.

"It's likely that earmarks in districts where Republicans lost seats in the House ... are going to be at risk," Bristol said, declining to name specific clients.

In those cases, lobbyists say, they try one or more backup plans.

"There are obviously tactics one employs to hold onto the project," said Rich Gold, who runs the lobbying practice for Holland & Knight. "You run over to the Senate side and hopefully the Senators put it in as a request as well. You also go to the incoming Members and ask them to reach out to leadership. This is one area where who the lobbyist is can

make some difference."

Mike Fulton, an executive vice president at GolinHarris, said it's the clients who really feel the pinch.

"Lots of jobs, projects, construction projects are hanging in the balance," Fulton said.

But, he added, those clients continue to come back to the firm.

"We've signed up new clients, and we're renewing with existing clients," he said. "It's true that there is an environment that outside the Beltway is not as well understood about earmarks, so we do spend more time educating and coaching our clients on what's happening."

Cassidy & Associates, a firm that pioneered the business of earmark lobbying, began this week with an "all hands on deck" meeting, said the firm's executive vice president, Gerald Warburg.

"Our expectation is that the majority of Members in both parties are going to want to keep in some of the initiatives that they have in the eight unpassed appropriations bills," Warburg said. "If not, they are going to cede all power to the executive branch."

But, he said, that means a frenetic 2007. Warburg said he is cautioning his clients that even if Congress passes the 2007 spending bills, a presidential veto could still loom.

Looking to next year, Ellis of Taxpayers for Common Sense also expects the business of earmarks to flourish, despite reforms. "The Democrats largely created this whole earmarking system," he said. "The Republicans just perfected it and enlarged it."