

July 10, 2019

The Honorable Julie Adams Secretary of the Senate U.S. Capitol, Room S-312 Washington, DC 20510

Dear Ms. Adams:

We write to request that your office determine whether the U.S. Chamber of Commerce (the Chamber) is in compliance with the Lobbying Disclosure Act (LDA).

In 2007, Congress strengthened the LDA through the passage of Section 207 of the Honest Leadership and Open Government Act, the objective of which was to provide the public with information about the membership of lobbying coalitions and associations. Section 207 amended the LDA to require disclosure of entities that contribute at least \$5,000 in a quarterly period toward a coalition or association's "lobbying activities" and that "actively participate in the planning, supervision or control of such lobbying activities."

Guidance issued by the Secretary of the Senate and the Clerk of the House of Representatives defines such entities as "affiliated organizations" and defines the term "actively participates." The template lobbying report form developed by the Secretary and the Clerk provides for disclosure of "affiliated organizations" on line 25 of the form. If a lobbying coalition or association publicly lists its members or contributors on its website, no further disclosure is required.<sup>3</sup>

We examined the Chamber's lobbying reports from 2008, the year that the requirement to disclose affiliated organizations went into effect, through the first quarter of 2019. Starting with its second quarter 2016 report and continuing through to its first quarter 2019 report, the Chamber did not disclose any information relating to affiliated organizations.<sup>4</sup> Prior to the second quarter 2016 report, the Chamber periodically disclosed various website addresses on line 25 of its disclosure forms. However, in all but one instance, the websites referenced by the Chamber do not include information on affiliated organizations. In the one instance where it did disclose affiliated organizations, the Chamber's list appears to be incomplete and only includes

<sup>&</sup>lt;sup>1</sup> 2 U.S.C. §1603(b)(3)

<sup>&</sup>lt;sup>2</sup> Lobbying Disclosure Act Guidance, last revised Jan. 31, 2017, available at <a href="https://lobbyingdisclosure.house.gov/ldaguidance.pdf">https://lobbyingdisclosure.house.gov/ldaguidance.pdf</a>

<sup>&</sup>lt;sup>3</sup> 2 USC §1603(b)(7)

<sup>&</sup>lt;sup>4</sup> See, e.g., First Quarter 2019 Lobbying Report, Chamber of Commerce of the U.S.A., available at <a href="https://soprweb.senate.gov/index.cfm?event=getFilingDetails&filingID=CFF4535D-F93F-4B7D-8234-BCDAE6D80F59&filingTypeID=51">https://soprweb.senate.gov/index.cfm?event=getFilingDetails&filingID=CFF4535D-F93F-4B7D-8234-BCDAE6D80F59&filingTypeID=51</a>

members of an anti-counterfeiting coalition.<sup>5</sup> The Chamber also does not publicly disclose its members or contributors.<sup>6</sup>

Based upon information provided by Chamber member companies, it is our understanding that policy and lobbying decisions within the Chamber are made by member companies that participate on one or more internal Chamber policy committees. Indeed, the Chamber's website references these committees, noting that "Elite" and "C100" members get to serve on "one of more than 30 U.S. Chamber Policy Committees" whose "members help define Chamber positions..."

Given the this lack of disclosure, we believe that the Chamber may not be in compliance with the LDA's requirement that it disclose affiliated organizations that fund and actively participate in its lobbying activities. The Chamber's practice also appears to be inconsistent with the disclosures made by the largest trade and professional associations, the majority of which appear to comply with the LDA's requirement to disclose affiliated organizations.<sup>8</sup>

In enacting the LDA, Congress found that "the effective public disclosure of the identity and extent of the efforts of paid lobbyists to influence Federal officials in the conduct of Government actions will increase public confidence in the integrity of Government." As the Chamber spends more on federal lobbying than any other entity, its failure to comply with the law would raise questions regarding Congress's ability to track the efforts of special interests to influence public policy. Powerful interest groups should not be allowed to flout transparency requirements designed to promote public confidence in our government.

The LDA requires that the Secretary and the Clerk "review, and, where necessary, verify and inquire to ensure the accuracy, completeness, and timeliness of registration and reports." <sup>10</sup> If a lobbying organization fails to appropriately respond within 60 days of having received a written

<sup>&</sup>lt;sup>5</sup> See, e.g., First Quarter 2016 Lobbying Report, Chamber of Commerce of the U.S.A., available at <a href="https://soprweb.senate.gov/index.cfin?event=getFilingDetails&filingID=2F495D6E-9760-4419-9DD0-2D3A06E057E5&filingTypeID=51">https://soprweb.senate.gov/index.cfin?event=getFilingDetails&filingID=2F495D6E-9760-4419-9DD0-2D3A06E057E5&filingTypeID=51</a>

<sup>&</sup>lt;sup>6</sup> The Chamber does disclose the members of its Board of Directors on its website, see, Board of Directors, U.S. Chamber of Commerce, available at <a href="https://www.uschamber.com/about/board-of-directors">https://www.uschamber.com/about/board-of-directors</a>, but this is a small subset of the Chamber's contributing membership, so does not satisfy 2 USC §1603(b)(7).

<sup>&</sup>lt;sup>7</sup> Membership, U.S. Chamber of Commerce, available at <a href="https://www.uschamber.com/members/associations/membership">https://www.uschamber.com/members/associations/membership</a>

The top 15 trade and professional associations by 2018 federal lobbying spending. They are, in descending order, the U.S. Chamber of Commerce, the National Association of Realtors (NAR), PhRMA, the American Hospital Association (AHA), the Business Roundtable, the American Medical Association (AMA), the National Association of Broadcasters (NAB), NCTA The Internet and Television Association, CTIA - The Wireless Association, the Biotechnology Innovation Organization (BIO), the National Association of Manufacturers (NAM), the American Chemistry Council (ACC), the National Retail Federation (NRF), the American Petroleum Institute (API), and America's Health Insurance Plans (AHIP). Ten of the top 15 (PhRMA, AHA, the Business Roundtable, AMA, NCTA, CTIA, BIO, ACC, API, and AHIP) list their members on their website. One of the top 15 (NAM) provides a url on line 25 of its quarterly lobbying reports that directs to a list of affiliated organizations. Only the Chamber, NAR, NAB, and NRF neither disclose their members on their website nor provide responsive information on line 25 of their quarterly lobbying reports.

<sup>9 2</sup> U.S.C. §1601(3)

<sup>10 2</sup> U.S.C. §1605(a)(2)

notice of noncompliance by the Secretary or the Clerk, the matter must be referred to the United States Attorney for the District of Columbia.<sup>11</sup>

Accordingly, we ask you to review the Chamber's lobbying disclosure reports and determine whether the Chamber is in compliance with the LDA and Section 207 of the Honest Leadership and Open Government Act. Should you determine that the Chamber is not in compliance, we ask that you take appropriate steps to ensure that its future lobbying reports are compliant and that its past lobbying reports are amended to bring them into compliance.

Thank you for your prompt attention to this matter.

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Sincerely,

Sheldon Whitehouse United States Senator Elizabeth Warren
United States Senator

<sup>11 2</sup> U.S.C. §1605(a)(8)