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Congressional Charities Are Pulling In Corporate Cash

By **ERIC LIPTON**

WASHINGTON — Representative Joe Baca has achieved near celebrity status in his suburban Los Angeles district, as much for his record of giveaways — Thanksgiving turkeys, college scholarships, spare boots for firefighters — as for anything he has done in Congress.

That generosity is made possible by the Joe Baca [Foundation](#), a charity his family set up three years ago to aid local organizations. It provides another benefit, too: helping the Democratic congressman run something akin to a permanent political campaign.

Joe Baca T-shirts and caps are given out at the charity's events, where banners display his name. Local newspapers mention the charity's donations, and cable stations show appearances by Mr. Baca and his family at functions his foundation supports.

"It's great," said Laura Goodloe, 36, as she watched her 8-year-old son, Jordan, play at the arena in San Bernardino, Calif., where the Baca Foundation offered a free basketball [clinic](#) last month. "He is giving back to the community."

But unlike most private foundations, Mr. Baca's gets little of its money from its founders' pockets. Instead, local companies and major corporations that have often turned to Mr. Baca's Washington office for help, and usually succeed in getting it, are the chief donors.

A review by The New York Times of federal tax records and House and Senate disclosure reports found at least two dozen charities that lawmakers or their families helped create or run that routinely accept donations from businesses seeking to influence them. The sponsors — AT&T, Chevron, General Dynamics, Morgan Stanley, Eli Lilly and dozens of others — contribute millions of dollars annually in gifts ranging from token amounts to a check for \$5 million.

Since 2009, businesses have sent lobbyists and executives to the plush Boulders resort in Scottsdale, Ariz., for a fund-raiser for the scholarship fund of Representative [Steve Buyer](#),

Republican of Indiana; sponsored a skeet shooting competition in Florida to help the favorite food bank of Representative Allen Boyd, Democrat of Florida; and subsidized a spa and speedway outing in Las Vegas to aid the charity of Senator [John Ensign](#), Republican of Nevada.

Just last month, they touted their largess with flags bearing their names near the tees at a golf tournament benefiting the foundation of Representative James E. Clyburn, Democrat of South Carolina.

Despite rules imposed in 2007 to curb the influence of special interests in Congress, corporate donations to lawmakers' charities have continued, thanks to a provision that allows businesses to make unlimited gifts to them. And while business executives say they want to give to a good cause, their pattern of spending — contributions that often are not disclosed, in apparent violation of ethics rules — suggests another reason.

Altria, the cigarette maker, for example, sent at least \$45,000 in donations over a six-week period last fall to four charitable programs founded by House members — including Representative [John A. Boehner](#) of Ohio, the Republican leader, and Mr. Clyburn, the Democratic [whip](#) — just as the company was seeking approval of legislation intended to curb illegal Internet sales of its cigarettes. An Altria spokesman said the donations were not related to the measure, which all four congressmen backed. (The other two are Mr. Boyd and Representative [Bart Stupak](#), Democrat of Michigan.)

Tom Williams, a spokesman for [Duke Energy](#), acknowledged that the company participates in lawmakers' charitable events in part to get access to them and push its agenda. "We are not apologetic about it at all: it is part of our overall effort to work with policy makers," he said. "Social settings are always a good way to get to know people."

Like Mr. Baca, other members of Congress benefit from the good will that their corporate-financed philanthropy generates among voters. The lawmakers defend the donations, saying they have no influence on the politicians' positions on legislation or policy. They also say that they typically do not serve on the charities' governing boards or solicit contributions themselves.

"There is nothing improper here at all," said Mark Hayes, a spokesman for Senator [Richard G. Lugar](#), Republican of Indiana, who helped found [two](#) Indiana nonprofit groups that are supported by [corporate contributions](#). "They are simply causes he believes in."

But some current and former lawmakers, as well as ethics officials on Capitol Hill, find the charitable donations troubling, calling them one of the last major unregulated fronts in the

“pay to play” culture in Washington. The donations typically far exceed what companies are permitted to give to candidates in campaign contributions.

The [Office of Congressional Ethics](#), a House oversight group, twice last year investigated lawmakers’ charities, but took no action, in part because the House granted waivers exempting the congressmen from prohibitions against soliciting donations from companies with business before their committees.

The donations by corporations and lobbyists to politicians’ favorite causes can create expectations that the lawmakers will return the favor, said Mickey Edwards, an Oklahoma Republican who served 16 years in the House.

“Almost all of these foundations, they were set up for a good purpose,” Mr. Edwards said. “But as soon as you take a donation, it creates more than just an appearance problem for the member of Congress. It is a real conflict.”

A Time for Giving

In August, with Congress in recess, the charity fund-raising effort goes into overdrive, and last month was no exception.

¶At a mountaintop [resort spa](#) in Utah, Senator [Orrin G. Hatch](#), a Republican, hosted a golf tournament to raise money for the Utah Families Foundation, which he helped establish. Companies willing to donate at least \$20,000 got to [meet privately](#) with the senator and received other perks.

The guests included executives from [Cephalon and Watson Pharmaceutical](#), drug companies that have sought Mr. Hatch’s help in protecting [them](#) from federal regulators who have [accused](#) them of conspiring to delay the sale of lower cost generic drugs.

(Seven drug makers and big corporate players like Morgan Stanley, Qwest and Chevron donated enough last year to earn an invitation to the private reception, helping the charity raise a total of \$900,000.)

¶In Alaska, Senator [Lisa Murkowski](#), whose family began the [Waterfall](#) Foundation to finance breast cancer screening in rural Alaska, appeared at an exclusive fishing resort on Prince of Wales Island, reachable only by boat or seaplane. The guest list of nearly 100 was a who’s who of the global oil and coal industries, with lobbyists and executives from Exxon Mobile, ConocoPhillips, BP, Duke Energy and Royal Dutch Shell. (David Lawrence, Shell’s executive vice president for oil exploration, pulled in one of the biggest fish, a 105-pound halibut.)

Ms. Murkowski, the ranking Republican on the Senate Energy and Natural Resources Committee who just lost her re-election bid, has been a staunch advocate for the companies, which variously are seeking drilling rights off Alaska, federal assistance for new nuclear projects and a halt to efforts to impose a cap on carbon dioxide emissions.

Ms. Murkowski's sister, Eileen Van Wyhe, the charity's executive director, called the event a huge success. It brought in about \$500,000, half of which was donated to the foundation and the rest largely covering the resort bill.

"Nothing about this is political," she said. "Everyone is here just to support the charity."

¶In Santee, S.C., Mr. Clyburn buzzed around glistening Lake Marion in a golf cart, hobnobbing with some of the 600 players at an **annual tournament** benefiting the James E. Clyburn Research and Scholarship Foundation.

The event pulls in more than \$500,000. At a gala dinner, the charity gave out more than 100 scholarships worth \$1,000 and free laptop computers, together worth more than \$400,000, to students who otherwise might not be able to attend college.

"This is not about promoting Jim Clyburn, but about filling a real need in the community," said Hope Derrick, the congressman's spokeswoman.

But the donors were not there simply to help needy youngsters, several acknowledged in interviews. In addition to drug makers, telecommunications firms and tobacco companies, nearly a dozen nuclear industry companies **served as sponsors**.

"When it comes to nuclear power, Jim Clyburn is always on our side," said Robert Eble, a nuclear safety manager from Shaw Areva Mox Services. It has a multibillion-dollar federal **contract** to convert plutonium from old weapons into nuclear fuel, a South Carolina project Mr. Clyburn has **pushed**. "Whatever we can do to help him in return, we are there."

It is difficult to determine how much corporate money flows into the lawmaker-affiliated charities. They are not required to disclose their donors or the amount of their gifts, and few of them do. After scandals involving **Tom DeLay**, a Texas Republican and former House majority leader, and the lobbyist **Jack Abramoff**, Congress adopted rules requiring corporations with lobbyists to **report** donations to charities established by a lawmaker.

The Times review, however, found at least a dozen companies that appear to have violated the requirements. A spokeswoman said the Senate Office of Public Records was barred from routinely checking lobbyist filings to ensure that they were honoring the rules.

It is illegal for lawmakers to use government resources — including letterhead or staff members — to help run their charities. But the lines are often blurred. For example, Dalton J. Tresvant, a full-time [House aide](#) to Mr. Clyburn, also organizes, as a volunteer, Mr. Clyburn's annual golf tournament.

The fine print of ethics rules allows lawmakers to be closely associated with fund-raising appeals, even if they do not solicit donations themselves. Senator [John D. Rockefeller IV](#), Democrat of West Virginia, founded two nonprofit groups and has long ties to a third, the Washington Bach Consort. While the senator, one of the wealthiest members of Congress, has donated significant amounts of money to the charities, they still seek gifts from companies that regularly appeal to him as chairman of the Senate Commerce Committee.

At a May fund-raiser, Mr. Rockefeller made fun of the ethics restrictions that forced him to become an “honorary” member of the board of the [Bach Consort](#). While aides say that Mr. Rockefeller does not personally ask for donations and that any gifts do not influence his stands, officials at one of the groups said he regularly invoked Mr. Rockefeller's name when making fund-raising calls to businesses. The senator also sometimes thanks donors in person.

“This is a major, major — the major event for us,” Mr. Rockefeller told lobbyists and corporate executives at the [May fund-raiser](#). “Many of you are here, and who have contributed, you are special to us.”

Overlapping Agendas

Perhaps nowhere is the mixing of charitable and political agendas more evident than with Mr. Baca and his family-run charity. It is not particularly large, taking in only about \$200,000 in contributions this year, according to Joe Baca Jr., the lawmaker's son. But the list of corporate donors and supporters serves almost like a road map to Mr. Baca's major legislative actions.

Coca-Cola, which [donated](#) \$40,000 in the last two years, is preparing to fight a proposal to prohibit the use of food stamps to buy high-calorie sodas, an issue that could be before the agriculture subcommittee that Mr. Baca leads.

The Lewis Group of Companies, a local development firm and a frequent sponsor of Baca Foundation events, is preparing to start construction on a 2,000-unit housing project built on land that Mr. Baca helped deliver by [steering](#) legislation through Congress to close the Rialto Municipal Airport, the current occupant. Mr. Baca last year helped secure a \$500,000 budget earmark for Telacu, another local housing group that donates to his foundation.

Another donor to his foundation is [Rentech](#), a California-based biofuels company that wants to build a new fuel plant in Mr. Baca's district. After it made two [donations last year](#), Mr. Baca's son, who serves on the Rialto City Council, voted to endorse federal assistance for the project — even before the company had completed the local environmental permit reviews. Then the congressman sent a [letter](#) to the Energy Department on his office stationery urging approval of the assistance.

Mr. Baca's office in Washington declined to address questions about the charity, or about positions the congressman has taken that appear to benefit donors. "They do a lot of great work," said Stephen Wall, a spokesman for Mr. Baca, referring to the foundation. "But as far as what we do, it is separate."

Mr. Baca's son, who handles administrative matters at the charity, said many of the other donors were small California businesses with no issues before lawmakers in Washington. "We have always been about giving back," he said.

[Scott Folkens](#), a Republican who is fighting what he acknowledges is an uphill battle to replace Mr. Baca, said the charitable work by his opponent was smart politically, but unfair.

"I have no problem with a congressman doing good for the community," Mr. Folkens said. "But this is a way for him to campaign for himself and his family, with the bills being paid by corporate sponsors."

Rebecca Cathcart contributed reporting from San Bernardino, Calif., and Ron Nixon from Washington.