



THE CAUCUS

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THEY'RE ALIVE!



Zombie PACs, vampire campaigns and ghastly spending continue

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THE INTERVIEW



Once a reluctant candidate, new House Majority Whip Kerry Benninghoff, prefers mentoring others to being in the spotlight. **PAGE 4**

SPECIAL REPORT



The nation's oldest historically black university, Cheyney is struggling with debt and declining enrollment and needs \$10M to stay afloat. **PAGE 9**

OVERHEARD ON 3RD



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COVER STORY

Things that go **cha-ching** in the night



An untold number of zombie campaigns lurk about Pennsylvania. Here's why that's a problem.

» SAM JANESCH

For the first time in 34 years, state Rep. John Taylor wasn't a candidate for Pennsylvania's House of Representatives. The prominent Philadelphia Republican, one of the last of his breed in the state Capitol, had announced he would retire at the end of 2018 — setting the stage for the departure of a politician whose campaign raised and spent millions of dollars on his elections and his party. His political-action committee, the Committee to Elect John Taylor, suddenly wasn't trying to elect John Taylor.

But it was by no means idle, either.

Taylor's committee raised \$49,123 and spent \$100,882 in 2018, even after he'd let everyone know he was leaving office. It collected money from individual donors and PACs and distributed tens of thousands of dollars on all sorts of campaign expenses. About a third of its spending went to active candidates.

Most of it, though, went elsewhere:

- \$11,650 for campaign work, in the form of monthly \$1,180 checks to one Philadelphia man.
- \$20,505 for “consulting fees” and catering for a fundraiser.
- \$10,369 for office rent and phone service.
- \$525 for “exterminating.”
- \$420 for snow removal.
- \$385 for flag pole repair.

Taylor's campaign was one of dozens of political-action committees that continued to operate in Pennsylvania in 2018 while their candidates were no longer seeking office.

GETTY IMAGES



COVER STORY

ZOMBIE CONGRESSMEN

Former members of Pennsylvania's congressional delegation and the money remaining in their campaign war chests.



Pat Meehan
\$1.5 million



Charlie Dent
\$812,300



Tim Murphy
\$730,400



Ryan Costello
\$668,900



Bill Shuster
\$656,300



Tom Marino
\$77,900



Lou Barletta
\$44,400



Keith Rothfus
\$36,600



Bob Brady
\$3,700

BY THE NUMBERS

» **\$4,544,800:** Amount unspent by nine Pennsylvania congressmen in office in 2017-18 but are no longer.

» **\$2,971,502:** Amount spent by six congressmen after they announced they were not seeking re-election.

» **\$77,778:** Amount received by those six congressmen's campaigns after they announced they weren't running again.

ZOMBIE EXPENSES BY TYPE

» **Contributions to other candidates or parties:** \$1,026,300

» **Refunds to donors:** \$828,301.40

» **Legal:** \$321,555.12

» **Fundraising consulting:** \$151,280.92

» **Payroll:** \$99,014.30

» **Compliance/consulting:** \$97,872.78

» **Cars (lease, rental, insurance, maintenance, gas, tolls):** \$59,579.29

» **Meals:** \$29,228.61

» **Credit card payment:** \$20,564.79

» **Accounting:** \$18,695.94

» **Gifts:** \$17,890.06

» **Charity:** \$15,311.05

» **Cell phone/phone:** \$13,991.93

» **Office rent:** \$11,608.30

» **Hotels:** \$10,762.93

» **Air/train travel:** \$6,806.17

SOURCE: FEDERAL ELECTION COMMISSION

Retirements, resignations, scandals and election upsets created these so-called “zombie PACs” in droves in 2018. Half of the 18 congressmen who started the 2017-18 session left office by the end of last year. In the state Capitol, 50 members of the House and Senate — a fifth of the entire Legislature — called it quits or were forced out.

But their political campaign committees, for the most part, failed to quit, a Caucus analysis of state and federal campaign finance databases found.

Together they continued to raise and spend millions of their campaign donors' cash with virtually no goals or guidelines on how to do it or when to stop. Many gave to other candidates who were still running or to political parties. Others spent the leftover cash on meals, travel, liquor, retirement parties, legal fees, community events, ongoing campaign expenses and more. Livestock even entered the equation for a three-term state senator on his way out.

And as of the end of the year, there were still hundreds of thousands of dollars in those accounts that had been unspent.

In a state that is widely considered to have weak campaign finance laws, some experts and legislators say that raises questions of transparency and whether former lawmakers are following the rules when it comes to how they can spend campaign money.

“When this money that is left over from a campaign stays in circulation because the candidate tries to push it one way or another — I don't necessarily see a problem with that,” said Pat Christmas, policy director for the Philadelphia-based good government group Committee of Seventy. “But it's very difficult to go back and see where it went.”

RAISING MONEY

More than two dozen state legislators didn't run for re-election in 2018, giving them little reason, some might think, to raise any more money.

Think again.

The retirees raised at least \$365,300 even while they were stepping back from campaign life, according to a Caucus review of their campaign finance reports filed with the Pennsylvania Department of State.

Rep. Bill Keller, the 25-year veteran lawmaker from Philadelphia, didn't appear to hold any fundraisers, but his campaign fund still took in the most money, thanks to a \$50,000 check from the Local 98 COPE committee on May 16, one day after the primary that Keller wasn't even running in.

Keller had been a longtime recipient of union leader John “Johnny Doc” Dougherty's Local 98 committee. His campaign has gotten \$954,146 since 2000, which was the most Dougherty's PAC spent on anyone other than his brother, state Supreme Court Justice Kevin Dougherty, and Gov. Tom Wolf in that time, The Philadelphia Inquirer reported last week. John Dougherty was indicted last month on multiple charges.

Keller spent \$56,640 last year on contributions to other candidates. His largest handout was in the Democratic primary race for his seat; he contributed \$10,000 to Jonathan Rowan, who lost to now-Rep. Elizabeth Fiedler.

Requests for comment were not returned from Keller's campaign treasurer, whose company received \$11,449 for accounting services last year.

Most candidates raised smaller sums, but often for reasons that are not immediately clear.

Eleven-term Rep. John Maher announced in February he would retire and start a fellowship at Cambridge University. A certified public accountant who lost a statewide race for auditor general in 2012, Maher didn't show any signs of fundraising until about \$42,000 flooded into his campaign on Nov. 20.

Why were the Diversified Oil & GAS PAC, the CPA PAC and others suddenly writing checks worth thousands of dollars to him?

Maher said it was “in anticipation of being a candidate” in the special election to replace state Sen. Guy Reschenthaler, who had just been elected to Congress.

Maher was gunning for the Republican nomination. He didn't get it, but he said he's holding onto the money for now with one eye toward another possible election in the not-too-distant future.

“What happens to that money now is I'm being encouraged to run for auditor general next year,” said Maher, who came close to beating Eugene DePasquale in their race six years ago.

He said he was one of the most prominent self-funding campaigners (his committee still shows a personal debt owed to him of \$107,234), but he kept his options open when asked if he would keep fundraising to set up the statewide run in 2020.

“If I am inclined toward a run for another statewide race, I understand oh so very well how expensive that is,” Maher said.

SPREADING THE WEALTH

House Majority Leader Dave Reed's campaign was flush with cash when he opted to run for Congress and not seek his state House seat again.

With \$507,522 in his war chest, he had the most money in the bank at the start of 2018 among those leaving the Legislature. He raised almost another

\$40,000 and spent it all by the end of the year.

Legislative leaders are typically expected to donate to other candidates and their respective parties, and Reed was no exception. He sent \$228,500 to other candidates, including \$160,000 to the House Republican Campaign Committee.

Another \$24,422 went to charity or community groups, like fire companies, drug-and-alcohol programs, Little League, the YMCA and a suicide task force.

But the largest chunk of his money — \$256,135 — was sent at the end of a year to a newly registered PAC called PA Forward Together Fund. The fund has the same treasurer as Reed's campaign had and is registered at the same address.

How that money will be used is unclear, and the treasurer and chairman for the committee did not return requests for comment.

Many of the rank-and-file members also gave to other candidates and political PACs, focusing their heftier contributions on their preferred candidate to replace them in their own district.

Rep. Bob Godshall, R-Montgomery County, gave \$20,000 to Lansdale Mayor Andy Szekely, who ran for and lost the House seat Godshall held since 1983.

Rep. Bernie O'Neill, the Bucks County Republican who announced his retirement in August after the primary, gave \$10,000 to Meghan Schroeder, his staffer who ran and won his seat.

Rep. Mark Mustio, R-Allegheny County, gave \$20,000 to Valerie Gaydos, who ran for and won his seat.

Rep. John McGinnis, R-Blair County, emptied out the last \$547.52 from his committee to give to Sharon Beam's campaign for his seat. Beam, the Altoona School Board president, was listed as his campaign chairman, according to Department of State records. She lost in the primary.

There also were at least two instances of a zombie PAC giving to another zombie PAC.

Taylor's committee gave Rep. Marguerite Quinn's committee \$500 about two weeks after she lost her state Senate bid in November. And Sen. Thomas McGarrigle gave Rep. Alexander Charlton \$984 nearly two weeks after they both lost their re-election bids.

CAMPAIGN CASH INHERITANCE

Other times, retiring legislators kept the money in the family.

Rep. Mike Hanna Sr. had two campaign accounts — Friends of Mike Hanna and The H Team — until he announced he would retire and his son, Mike Hanna Jr. would run in his place.

Within a few months, the Department of State database shows the “Friends” committee switched from backing Hanna Sr. to Hanna Jr. It also showed Hanna Sr. was previously the chairman of his own campaign and Hanna Jr. was the treasurer, and then they swapped when Hanna Jr. became the candidate.

The switching around effectively gave Hanna Jr. control over the roughly \$80,000 that was in the campaign from his father's donors.

Another father-and-son duo, Sen. Stewart Greenleaf and Stewart Greenleaf Jr., went a somewhat cleaner route when the younger Greenleaf created a new PAC that Greenleaf Sr. eventually donated \$47,965 to. The father's funds were used to help his son's election, just like Hanna's, but by leaving the original committee for Greenleaf Sr., other expenses could more clearly be attributed to him.

Rep. Joe Markosek went the same route as Greenleaf when his son ran and won his seat. Brandon Markosek created his own campaign account and received \$30,000 of the \$68,350 that his father's committee dished out to other candidates and campaigns.

Both Greenleaf Jr. and Hanna Jr. lost in the general election.

ELECTION EXPENSES?

“Lamb.” “Rabbits.” “Pig.”

Probably not the first things that come to mind



COVER STORY

ZOMBIE PA LEGISLATORS

BY THE NUMBERS



Dave Reed



Bill Keller



Joe Markosek

» **\$256,135:** Leftover cash in House Majority Leader Dave Reed's campaign that he used to create a new PAC, the PA Forward Together Fund.

» **\$65,207:** The largest amount raised by a legislator who was not a candidate in all of 2018, Rep. Bill Keller.

» **\$59,017:** The largest sum remaining unspent in a campaign account for a legislator no longer in office, Rep. Joe Markosek.

ZOMBIE EXPENSES BY TYPE

» **Contributions to other candidates or parties:** \$943,777.33

» **Repaid self loans:** \$132,416.73

» **Refund:** \$120,360

» **Consulting services:** \$77,033.28

» **Community Groups/Charity:** \$70,322.77

» **Campaigning:** \$62,552.60

» **Credit cards:** \$40,609.96

» **Office:** \$35,100.99

» **Legal/public relations:** \$27,363.51

» **Travel (cars, train, hotels):** \$9,889.39

SOURCE: PENNSYLVANIA DEPARTMENT OF STATE

when thinking about necessary election expenses.

But for former state Sen. John Eichelberger, R-Blair County, those were the exact and entire purposes listed for three expenses last August, three months after he lost his GOP congressional primary.

Eichelberger's campaign-finance reports show he spent \$375 for the lamb, \$139.50 for rabbits and \$375.20 for the pig at three different youth livestock clubs. He also gave to other candidates and other community groups.

The only guidelines in the state election code for candidates — both active ones and zombies — is that expenditures must be made “for the purpose of influencing the outcome of an election.”

“It's very broad criteria,” said former Rep. Stephen Bloom, who ran in and lost a Republican congressional primary last year and is now vice president for the Commonwealth Foundation.

Bloom did not officially terminate his own state campaign committee yet but refunded several donations to his donors early last year. The election code specifies “residual funds” may only be spent to refund contributors or as expenditures to influence an election.

For the 2018 zombie PAC list, one of the most frequent types of expenses listed was “donations” to a wide variety of community and charitable groups.

Youth sports clubs, churches, schools, nonprofits and chambers of commerce received thousands of dollars under the labels of “donations,” “event sponsorship” or, as former Rep. Keller dictated, “neighborhood assistance contribution.”

For Keller, that was the reasoning behind multiple checks to Jokers NYA (a group that performs in the Mummers Parade), the Philadelphia Electrical and Technology Charter High School, the Second Street Polish Society and more.

A Veterans of Foreign Wars, Rosedale Tech College, the Forest Hills Swim Club and the Turtle Creek Fire Department were among similar donations totaling \$925 for Rep. Paul Costa after he lost his primary last May.

Costa also spent \$100 for “funeral condolences” and was among a few zombie legislators whose funds went toward a school reunion or alumni association event. For him, it was a \$100 ad in the program at his own 40th high school reunion.

Another expense that hit close to home for a zombie PAC was a \$500 “sponsorship” that former Rep. Ron Marsico gave last July to Sports Recruiters, a company founded and operated by his son, Wayde Marsico. The father and son also own and operate Marsico Sports Group.

The elder Marsico told The Caucus the money was to sponsor a combine where high school athletes showcased their skills to college coaches. It's not a non-profit, but Marsico said they are waiting to get approval to make it one.

“Throughout the years, we've given many dollars back to the community and organizations — the programs, the football, the wrestling, the basketball,” Marsico said. “I didn't want to sit on thousands and thousands of dollars. If I had an opportunity, I would give it back to the community. Of course it would help me with my re-election but also help with the cause, whatever it was in the community.”

Some campaign contributions — which are to be used for getting elected to office — were spent on retirement parties.

Godshall, who retired after 36 years in the seat, spent the most for such an event — \$8,827 at the Indian Valley Country Club on Dec. 15. His campaign reports also show a \$300 payment two weeks earlier for a visit from the Philadelphia Phillies mascot, the Phanatic.

Godshall's campaign treasurer and chairman did not return requests for comment.

And he wasn't the only one.

Markosek spent \$1,110 for a “retirement party expense” at Denunzio's Restaurant in Monroeville on Nov. 15.

als, leases, maintenance, gas, tolls), \$99,000 in continued payroll expenses for campaign staff and nearly \$18,000 for various gifts.

REFORM

Pennsylvania's campaign-finance law, without many restrictions on expenses and no contribution limits, is routinely given poor scores by independent experts and officials.

The Center for Public Integrity gave the state an “F” in political financing, ranking it 43rd in its 2015 State Integrity Investigation. Another project from Harvard University and the University of Sydney graded Pennsylvania second-worst among campaign finance laws in 2017.

There are few restrictions on expenses, no contribution limits and an outdated, difficult-to-navigate, website for the public to navigate.

“In this day and age I think it is embarrassing that Gov. Wolf's Department of State doesn't have a web portal which is user friendly,” said Maher, the recently retired House member from Allegheny County who wrote a major overhaul of the state's open records law during his tenure.

Maher said a better transparency portal is his major concern and “in this age, it's so simple a sixth grader could put it together.”

Christmas, the Committee of Seventy policy director, said “a definite issue is the fact that it is extremely difficult to track the flow of money in politics.”

Transparency and accountability are the goals behind House Minority Leader Frank Dermody's bill to limit campaign contributions.

“The voters and citizens of Pennsylvania and the country are entitled to know who's influencing their elections and influencing their vote,” Dermody said. “It can't be just for rich people to decide.”

His bill would cap contributions at \$1,500 for House and Senate candidates by individuals and at \$10,000 for PACs. Those limits also would apply to candidates while they're winding down their campaign accounts, he said.

“If you leave office and you have money left, you would have to follow this law,” Dermody said. He said that would curb the practice of “huge lump sums” being passed around for election purposes that are sometimes “hard to explain,” he said.

A spokeswoman for Senate Minority Leader Jay Costa said he also will be reintroducing a bill from last session intended to further restrict what campaign funds can be used for.

Instead of a broad direction to “influence the outcome of an election,” the statute would require expenses be “directly and exclusively incurred for the campaign in which the candidate is running in the contemporaneous election cycle and not for any personal purpose.”

Another missing requirement, perhaps, is that campaign committees should terminate their campaigns when their candidates are no longer running. Without that, it's unclear how many total zombie campaigns are still lurking in Department of State records.

For the 50 created last year, many still have enough cash to launch another successful campaign tomorrow, if they'd want to.

Rep. Eli Evankovich, a Westmoreland County Republican, resigned his seat in July and still had \$49,500 left over at the start of the 2019.

Keller, the retiring Democrat whose committee was buoyed with the Local 98 contribution, was still open with \$55,362 in the bank at the start of 2019.

How many more zombie PACs are coming to wield their lingering campaign donors' money remains to be seen.

“The first thing I'll do when I don't run any more is close the damn thing down,” said Rep. Seth Grove, an incumbent York County Republican. “I don't know why you want to deal with these kinds of PACs. It's a headache.”

Costa spent \$200 for a “going away event” at Madhatter in Lemoyne, though it's unclear if that was for his or someone else's “going away.”

FEDERAL VS. STATE

Comparing the horde of state lawmaker zombie committees to the federal ones reveals a few key differences — starting with the sheer amount of money at hand.

Fifty state lawmakers who are no longer in office had at least \$814,137 on hand at the beginning of the 2019. For the nine Pennsylvania congressmen now recently out of office, that number is \$4.5 million.

U.S. Rep. Pat Meehan, who resigned in April 2018 amid a sexual harassment investigation, had the most with \$1.5 million. U.S. Rep. Charlie Dent, who resigned in May, was behind him with \$812,300.

U.S. Rep. Tim Murphy had the third-highest leftover amount after spending the most as a “zombie PAC” candidate in 2017-18. Murphy resigned in early October 2017 during a scandal in which he asked his mistress to get an abortion. In the months after he left office, he converted his committee to a multi-candidate committee and renamed it Red Wing PAC. Of the \$821,139 that committee went on to spend, \$389,350 of it went to other candidates or PACs.

Murphy also spent \$82,629 on legal services — a permissible use for campaign funds federally and locally when candidates find themselves in legal trouble.

U.S. Rep. Bob Brady, amid his own legal troubles, spent about \$175,000 on legal services in 2018 with his zombie PAC as he retired. And, with barely any money left in the bank, his campaign still reports a \$236,733.39 debt to Dilworth Paxson LLP for legal fees.

At the state level, former state Rep. Nick Miccarelli was the only retiring legislator to use his zombie PAC for legal fees. After The Caucus and The Philadelphia Inquirer reported Miccarelli was accused by two women of sexual or physical assault in late February, Miccarelli spent \$21,400 on “legal and professional fees” to the Sprague & Sprague and Lamb McErlane PC firms.

Before terminating his campaign later in the year, Miccarelli spent some of his remaining funds at two casinos — Mohegan Sun Pocono and Harrah's — and on alcohol for the purpose of “meeting expenses,” according to his reports.

Among the federal candidates, refunds to supporters were more common than at the state level. Other categories of spending also far exceeded state zombie PACs — almost \$60,000 in car-related expenses (rent-