

Smarty Jones Wins Preakness, Closes In on Triple Crown | SPORTS, Page E1

The Washington Post

SUNDAY, MAY 16, 2004

M1 M2 M3 M4 M5 M6 M7 M8 M9 M10 M11 M12 M13 M14 M15 M16 M17 M18 M19 M20 M21 M22 M23 M24 M25 M26 M27 M28 M29 M30 M31 M32 M33 M34 M35 M36 M37 M38 M39 M40 M41 M42 M43 M44 M45 M46 M47 M48 M49 M50 M51 M52 M53 M54 M55 M56 M57 M58 M59 M60 M61 M62 M63 M64 M65 M66 M67 M68 M69 M70 M71 M72 M73 M74 M75 M76 M77 M78 M79 M80 M81 M82 M83 M84 M85 M86 M87 M88 M89 M90 M91 M92 M93 M94 M95 M96 M97 M98 M99 M100

Inside: Book World, TV Week,
The Post Magazine, Comics
Today's Contents on Page A2

\$1.50

Prices may vary in areas outside metropolitan
Washington. (See box on Page A4)

Weather

Today: Thunderstorm.
High 79. Low 62.
Monday: Thunderstorm.
High 78. Low 64.

Details, Page C14

127TH YEAR No. 163 M1 DC MD VA

D.C. Region
Job Market
Has Look
Of a BoomGovernment Policy,
Spending Give BoostBy NEIL IRWIN
Washington Post Staff Writer

To find enough new workers for all its building projects, Bozzuto Construction Co. had to hire a headhunter. Consulting firm Booz Allen Hamilton Inc. is wooing MBA students with fancy dinners and cocktail parties. Pohanka Automotive Group created a new position just to fill all the other vacant jobs.

After three years of standing still, the Washington region's job market is hopping, adding 60,600 jobs in the year ended in March, on pace with the boom years of 1997 and 1998. "This year everyone is starting to feel good again," said Ralph W. Shrader, chief executive of Booz Allen, which has been on a hiring binge.

What is different this time is the source of the new jobs. Instead of a roaring expansion driven by businesses, 4 out of 5 local jobs being created can be attributed to extremely low interest rates, created by government stimulus, and booming government spending.

The Federal Reserve Board lowered the federal funds rate to 1 percent last June, its lowest level since 1958, a key factor last year in booming sales of houses and autos in the Washington area.

Federal spending in the region rose by 7 percent in 2003, pumping an extra \$6.1 billion into the local economy, driving hiring by government contractors while a tax cut put more money in the hands of local consumers.

Business and professional services firms, a sector that is dominated in the Washington area by federal contractors,

See ECONOMY, A8, Col. 1

Pennsylvania
Pollution
Muddies
Bay CleanupState Lags in Curbing
Runoff From FarmsBy DAVID A. FAHRENTOLD
Washington Post Staff Writer

MANOR TOWNSHIP, Pa.—The sailboat harbors and crabbing grounds of the Chesapeake Bay are miles from this shallow stream that runs through fields reeking of manure.

But the problems of the west branch of Little Conestoga Creek in Lancaster County become the bay's problems, sooner or later.

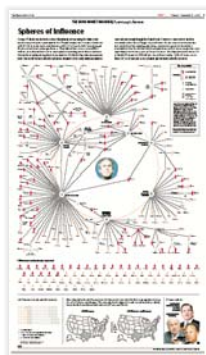
The animal waste that washes into the water here contains pollutants that eventually are carried into the Susquehanna River and then into the bay, where they feed blooms of harmful algae.

"It's all based on a very sophisticated scientific principle: Water runs downhill," said William C. Baker, president of the Chesapeake Bay Foundation. "The Chesapeake Bay is downhill from Pennsylvania."

The Keystone State does not have an inch of Chesapeake waterfront. But it is a major source of the bay's pollution, because Pennsylvania includes so much of the watershed for the Susquehanna, a massive river that provides half the bay's fresh water.

A partner in the bay cleanup effort since 1983, Pennsylvania dumps more nitrogen and phosphorus into the bay than Maryland or Virginia and has made far less progress than those states in reducing the flow of those pollutants, the U.S. Environmental Protection Agency said.

See PENNSYLVANIA, A10, Col. 1

The Post on the Internet:
washingtonpost.comTHE BUSH MONEY MACHINE | Fundraising's Rewards
Pioneers Fill War Chest, Then Capitalize

■ A look at Bush's political network.
Page A17

First of two articles

By THOMAS B. EDSALL, SARAH COHEN
and JAMES V. GRIMALDI
Washington Post Staff Writers

GREENSBORO, Ga.—Joined by President Bush, Vice President Cheney and a host of celebrities, hundreds of wealthy Republicans gathered at the Ritz-Carlton Lodge here in the first weekend in April, not for a fundraiser but for a celebration of fundraisers. It was billed as an "appreciation weekend," and there was much to appreciate.

As Bush "Pioneers" who had raised at least \$100,000 each for the president's reelection campaign, or "Rangers" who had raised \$200,000 each, the men and women who shot

skeet with Cheney, played golf with pros Ben Crenshaw and Fuzzy Zoeller and laughed at the jokes of comedian Dennis Miller are the heart of the most successful political money operation in the nation's history. Since 1998, Bush has raised a record \$296.3 million in campaign funds, giving him an overwhelming advantage in running against Vice President Al Gore and now Sen. John F. Kerry (D-Mass.). At least a third of the total—many sources believe more than half—was raised by 631 people.

When four longtime supporters of George W. Bush in 1998 developed a name and a structure for the elite cadre that the then-Texas governor would rely on in his campaign for president, the goal was simple. They wanted to escape the restraints of the public financing system that Congress had hoped would mitigate the influence of

money in electing a president. Their way to do it was to create a network of people who could get at least 100 friends, associates or employees to give the maximum individual donation allowed by law to a presidential candidate: \$1,000.

The Pioneers have evolved from an initial group of family, friends and associates willing to bet on putting another Bush in the White House into an extraordinarily organized and disciplined machine. It is now twice as big as it was in 2000 and fueled by the desire of corporate CEOs, Wall Street financial leaders, Washington lobbyists and Republican officials to outdo each other in demonstrating their support for Bush and his administration's pro-business policies.

"This is the most impressive, organized,

See PIONEERS, A15, Col. 1

At Andrews, the Good Times Fly By



Two F/A-18s of the Navy's Blue Angels fly by—one inverted—at the air show at Andrews Air Force Base. Watching the Canadian Snowbirds perform are Kenneth Anderson, his wife, Judith, and their godchildren Omari Singleterry, 4, and Kymsha Cheeks, 6. Story, Page C1.

PHOTOS BY RICH LIPSKI—THE WASHINGTON POST

Massachusetts Clergy Are Divided
On Eve of Historic Same-Sex UnionsBy ALAN COOPERMAN
Washington Post Staff Writer

LINCOLN, Mass., May 15—If there are no last-minute legal hitches and Massachusetts on Monday becomes the first state to allow same-sex marriages, Lois Tetreault and Lois Johnson would like the pastor of the church they have attended for more than a decade to perform their wedding later this year.

But they have not asked the Rev. Cathy George of St. Anne's in-the-Fields here, to officiate, because they think she would have a hard time saying no. If she said yes, she could be

hauled before an ecclesiastical court and lose her ordination as an Episcopal priest.

"Frankly, I find Cathy's ministry so important that I would not want to jeopardize it," Tetreault said.

Six months after its Supreme Judicial Court ruled that the state constitution guarantees the right to marry the partner of one's choice, Massachusetts is poised to put that historic decision into action by granting civil marriage licenses to gay couples. Legally, the ruling does not bind religious institutions in any way. Churches, syna-

See WEDDINGS, A12, Col. 1



The Rev. William G. Sinkford is president of the Unitarian Universalist Association, which has welcomed gay couples.

BY ELISE AMENDOLA—ASSOCIATED PRESS

Divided
Iraqi South
Posing New
ObstaclesShiite Foes of Militia
Fail to Stem UprisingBy SCOTT WILSON
Washington Post Foreign Service

BAGHDAD, May 15—The battle for Iraq's Shiite-populated south that engaged U.S. forces again Saturday is presenting U.S. officials with a more serious political challenge than the insurgency's still potent strongholds farther north, U.S. officials and Iraqi political leaders say.

In heavy fighting over the past week, U.S. forces have inflicted substantial casualties on the Shiite Muslim militia loyal to Moqtada Sadr, a breakaway cleric wanted by U.S. forces on murder charges. U.S. and British troops battled Sadr's forces Saturday in four southern cities, including new fighting in Amarah near the Iranian border. Firefights between U.S. forces and insurgents in the east Baghdad slum named for Sadr's assassinated father left 14 insurgents and two U.S. soldiers dead overnight Friday.

The fighting reflects the U.S. strategy of squeezing Sadr militarily while allowing a group of local Shiite leaders to broker a deal, such as Sunni Muslim leaders did this month in the western city of Fallujah. The Americans contend that Sadr is deeply unpopular among many Shiites in the holy cities of Najaf and Karbala, where his men are ruining

See IRAQ, A27, Col. 1

Knowledge of
Abusive Tactics
May Go HigherBy R. JEFFREY SMITH
Washington Post Staff Writer

Army intelligence officers suspected that a Syrian and admitted jihadist who was detained at Abu Ghraib prison outside Baghdad knew about the illegal flow of money, arms and foreign fighters into Iraq. But he was smug, the officers said, and refused to talk. So last November, they devised a special plan for his interrogation, going beyond what Army rules normally allowed.

An Army colonel in charge of intelligence-gathering at the prison, spelling out the plan in a classified cable to the top U.S. military officer in Iraq, said interrogators would use a method known as "fear up harsh," which military documents said meant "significantly increasing the fear level in a security detainee." The aim was to make the 31-year-old Syrian think his only hope in life was to talk, undermining his confidence in what they termed "the Allah factor."

According to the plan, interrogators needed the assistance of military police supervising his detention at the prison, who ordinarily play no role in interrogations under Army regulations. First, the interrogators were to throw chairs and tables in the man's presence at the prison

See COMMAND, A28, Col. 1

■ Missionaries get a mixed reception in Iraq. | Page A24

INSIDE

Rescuing the
Past

After centuries of neglect and years of hassles, Maryland's rich African American history is about to have a bona fide showcase.

THE MAGAZINE



Smarty Jones Sets Preakness Record

Smarty Jones will enter the Belmont Stakes with a chance to become the first Triple Crown winner since 1978 after winning the Preakness by a record 11½ lengths. SPORTS, Page E1

Struggling to
Save the Children

As children continue to die at the hands of violence in D.C., sadness and anger remain. Loved ones tell the stories of 13 young victims.

STYLE, Page D1

Why Chelsea Cromartie's case got top priority.

METRO

The Third Man

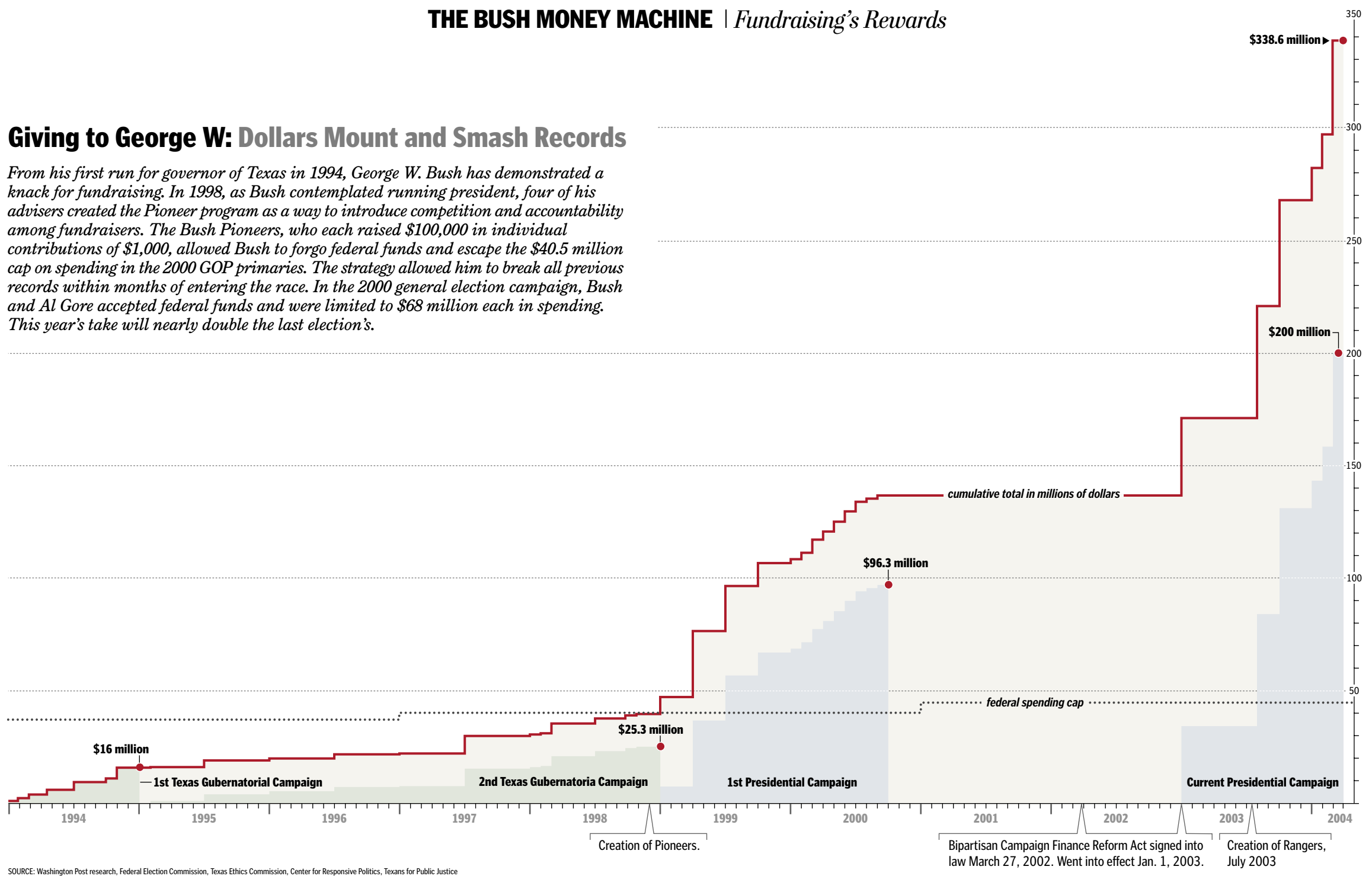
The FBI has lost track of a Yemeni who sought photos of lower Manhattan in May 2001.

NATION, Page A7

THE BUSH MONEY MACHINE | Fundraising's Rewards

Giving to George W: Dollars Mount and Smash Records

From his first run for governor of Texas in 1994, George W. Bush has demonstrated a knack for fundraising. In 1998, as Bush contemplated running president, four of his advisers created the Pioneer program as a way to introduce competition and accountability among fundraisers. The Bush Pioneers, who each raised \$100,000 in individual contributions of \$1,000, allowed Bush to forgo federal funds and escape the \$40.5 million cap on spending in the 2000 GOP primaries. The strategy allowed him to break all previous records within months of entering the race. In the 2000 general election campaign, Bush and Al Gore accepted federal funds and were limited to \$68 million each in spending. This year's take will nearly double the last election's.



SOURCE: Washington Post research, Federal Election Commission, Texas Ethics Commission, Center for Responsive Politics, Texans for Public Justice

GRAPHIC BY LOUIS SPIRITO—THE WASHINGTON POST

Four Advisers Came Up With the Idea of Pioneers

PIONEERS, From A1

focused and disciplined fundraising operation I have ever been involved in," declared Dirk Van Dongen, president of the National Association of Wholesaler-Distributors, who has been raising money for GOP candidates since 1980. "They have done just about everything right."

For achieving their fundraising goals, Pioneers receive a relatively modest token, the right to buy a set of silver cuff links with an engraved Lone Star of Texas (Rangers can buy a more expensive belt buckle set). Their real reward is entry to the White House and the upper levels of the administration.

Of the 246 fundraisers identified by The Post as Pioneers in the 2000 campaign, 104—or slightly more than 40 percent—ended up in a job or an appointment. A study by The Washington Post, partly using information compiled by Texans for Public Justice, which is planning to release a separate study of the Pioneers this week, found that 23 Pioneers were named as ambassadors and three were named to the Cabinet: Donald L. Evans at the Commerce Department, Elaine L. Chao at Labor and Tom Ridge at Homeland Security. At least 37 Pioneers were named to postelection transition teams, which helped place political appointees into key regulatory positions affecting industry.

A more important reward than a job, perhaps, is access. For about one-fifth of the 2000 Pioneers, this is their business—they are lobbyists whose livelihoods depend on the perception that they can get things done in the government. More than half the Pioneers are heads of companies—chief executive officers, company founders or managing partners—whose bottom lines are directly affected by a variety of government regulatory and tax decisions.

When Kenneth L. Lay, for example, a 2000 Pioneer and then-chairman of Enron Corp., was a member of the Energy Department transition team, he sent White House personnel director Clay Johnson III a list of eight persons he recommended for appointment to the Federal Energy Regulatory Commission. Two were named to the five-member commission.

Lay had ties to Bush and his father, former president George H.W. Bush, and was typical of the 2000 Pioneers. Two-thirds of them had some connection to the Bush family or Bush himself—from his days in college and business school, his early oil wildcating in West Texas, his partial ownership of the Texas Rangers baseball team and the political machine he developed as governor.

"It's clearly the case that these networking operations have been the key driving Bush fundraising," said Anthony Corrado, a visiting scholar at the Brookings Institution and a political scientist at Colby College. "The fact that we have great numbers of these individuals raising larger and larger sums means there are going to be more individuals, postcampaign, making claims for policy preferences and ambassadorial posts."

Asked whether the president gives any special preference to campaign contributors in making decisions about policy, appointments or other matters, White House spokesman Trent Duffy said, "Absolutely not." The president, Duffy said, "bases his policy decisions on what's best for the American people."

Pioneers interviewed for these articles were reluctant to discuss on the record their contacts with the administration. "That's dead man's talk," one said. The Bush campaign declined repeated requests to reveal



Then-Texas Gov. George W. Bush with one of the four founders of the fundraising Pioneer organization, Donald L. Evans, a Texas oilman.



President Bush and Labor Secretary Elaine L. Chao, one of three Pioneers placed in the Cabinet. Twenty-three were named ambassadors.



Bush tours the District police department with another Pioneer installed in the Cabinet, Homeland Security Secretary Tom Ridge.



U.S. Ambassador to Hungary Nancy Goodman Brinker, left, in Budapest with a visiting Laura Bush. Brinker is one of 23 Pioneer envoys.

the entire 2000 list of Pioneers, saying it is contained in computer files they can no longer access.

Bush campaign spokesman Scott Stanzel said, "Our campaign enjoys support from nearly 1 million contributors from every county in this nation. We're proud of our broad-based support, and the Bush campaign has set the standard for disclosure."

M. Teel Bivins, a rancher, Pioneer and member of the Texas Senate awaiting confirmation as ambassador to Sweden, spoke more openly in an interview with the BBC in 2001. "You wouldn't have direct access if you had spent two years of your life working hard to get this guy elected president, raising hundreds of thousands of dollars?" he said. "You dance with them what bring ya."

For the 2004 election, the composition of the Pioneers has changed, reflecting the broad support the Bush administration has given and received from industries ranging from health care to energy.

Of the 246 known Pioneers from the 2000 election, about half—126—are Pioneers or Rangers again. They are joined by 385 new Pioneers and Rangers whose backgrounds are less from Texas and the Bush circle than from the nation's business elite, particularly Wall Street and such major players as Bear Stearns & Co. Inc., Kohlberg Kravis Roberts & Co.; Goldman Sachs Group Inc., Merrill Lynch & Co. Inc., Credit Suisse First Boston Inc. and Morgan Stanley & Co. Inc.

The campaign's most productive Zip code this year is Manhattan's 10021: the Upper East Side, bounded by Fifth Avenue, East 80th Street, East 61st Street and the East River.

"This is the most successful political fundraising mechanism in the history of politics, and it will be emulated by other candidates and campaigns in the future," said Craig McDonald, executive director of Tex-

ans for Public Justice, a public interest group that has tracked the Pioneer network for five years.

First Goal: \$50 Million

No candidate in recent history was better positioned than George W. Bush to draw on so many disparate sources of wealth. The task for the four Bush friends who met in Midland, Tex., in late 1998—Texas Republican fundraiser and public relations specialist James B. Francis Jr., fundraiser Jeanne Johnson Phillips, state Republican chairman Fred Meyer and Don Evans, then a Texas oil man—was to figure out how to capitalize on the extensive network of rich and powerful people that the governor, his father, brothers, uncles, grandfather and great-grandparents had built up over the past century.

This account of the founding of the Pioneers is drawn from interviews with three of the four participants.

Two wings of the family, the Bushes and the Walkers, had long been entrenched in the industrial Midwest and on Wall Street. This establishment, in turn, had produced the investors who had bankrolled the venture of George H.W. Bush into the oil industry after World War II, his acquisition of wealth through oil and his ascent to national prominence.

The 41st president had, in pursuing his own political ambitions, built up a financial network that he in turn could pass on to two of his sons, George W. and Jeb.

At the time of the 1998 Midland meeting, Evans, Phillips, Francis and Meyer had the relatively modest goal of raising a minimum of \$50 million to reject public financing for the 2000 Republican primaries and to be free to spend without limit until the summer nominating conventions.

Other Republicans had rejected public

money for the primary season before, in order to spend their own wealth. Bush, in contrast, was not going to use his own money—he was going to raise it from hundreds of thousands of donors.

The early signs were favorable. For months, Bush's handlers had been signaling that the Texas governor was ready to run for the White House. Big givers, in turn, were promising support. The pledges posed two problems.

The first was that the Bush network was made up of men, and a scattering of women, who were used to writing big checks. Donations to Bush's gubernatorial campaigns, to the Republican National Committee's "Team 100," to Jeb Bush's Florida Republican Party and to the Bushes' earlier oil and baseball ventures had no contribution limits. Transfers and gifts of \$100,000 or more were commonplace within this universe.

Federal elections, however, were different. A key provision of the 1974 Watergate reforms for the first time set a limit on individual contributions to a presidential campaign: a relatively paltry \$1,000.

"We had to turn these people into money raisers instead of money givers," Francis said in a recent interview—to get them to do the dirty work of politics, to make hundreds of calls to clients, subcontractors, to their corporate subordinates, to their law partners and fellow lobbyists and plead for cash.

Their problem can be illustrated by looking at the \$41 million Bush had collected for his two gubernatorial bids under rules allowing unlimited contributions. If the same number of people had contributed under federal campaign rules with a limit of just \$1,000 each, Bush would have raised only \$14.3 million.

At the 1998 Midland meeting, the goal was to figure how to get "two steps ahead"—to use Meyer's phrase—of the

\$1,000 contribution limit.

Francis came up with the idea of making it a competition. "We purposely set the bar high," Francis said. "These are very successful, very competitive people," and the requirement of raising at least \$100,000 in contributions of \$1,000 or less was designed "to tap into their competitive instincts."

Not only would the fundraisers compete to make Pioneer, they would also vie to see who could raise the most money, and, even more significantly, who could recruit the largest number of other Pioneers.

The second problem was accountability. Fundraisers are notorious for making extravagant promises and claiming credit for every name they recognize on a donor list. "You can have an event that pulls in \$3 million, and there will be 20 guys each saying they raised \$1 million," said a Republican fundraiser who spoke under the condition of anonymity.

A system was needed to make certain there was no double or triple counting, that when a check came in for \$1,000, proper credit was given to the fundraiser who had solicited the money.

Phillips proposed a solution: Every fundraiser would be assigned his or her own four-digit tracking number. A Pioneer would get credit only for those checks that arrived with the correct tracking number clearly printed on them.

In addition, prospective Pioneers would have a direct line into the Bush campaign finance offices. There they could routinely find out where they stood, compared with the rest of the field. Every month, they would get printouts of donations. Everyone assigned a number could check regularly to see if their \$1,000 pledges had been fulfilled.

Soon after the 1998 Midland strategy session, Francis, Evans, Phillips and Meyer joined other campaign operatives in Dallas to put the plan to work. The four reported directly to Karl Rove, Bush's principal political adviser. Francis took charge of the Pioneer program. In addition to Bush family members and friends, Francis had essentially four spheres of money to mine, all of which overlapped at various points.

The first sphere was formed by the group of men who had repeatedly gambled on George W. Bush as an entrepreneur, investing in failed Bush ventures in the oil business and then joining Bush in the highly profitable acquisition of the Texas Rangers baseball team. The Rangers made millions for Bush and his partners.

The second sphere was made up of the Texas political elite and business community that supported him as governor. Many were involved in the energy industry. Others sought tighter restrictions on lawsuits against corporations and physicians. Gov. Bush had won approval of state legislation favorable to both of these constituencies.

The third sphere was made up of the Republican financial elite with strong ties to Bush's father, the 41st president.

During the Nixon and Ford administrations, the senior Bush had cemented alliances on crucial fronts, serving in top posts at the United Nations, the Republican National Committee and the Central Intelligence Agency. More importantly, during three runs for the presidency, two terms as vice president and one as president, the elder Bush had cultivated and assiduously maintained a national base of major donors and fundraisers. Many were ready and willing to support his son—including some of the 252 members of the Republican National Committee's "Team 100," each of whom had

See PIONEERS, A16, Col. 1

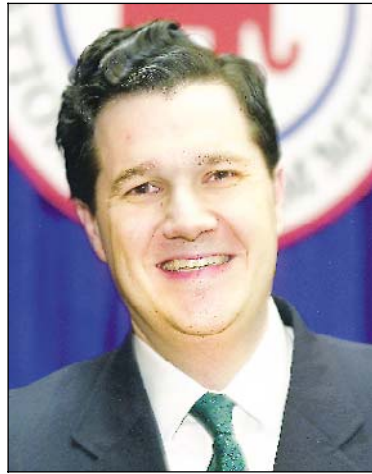
THE BUSH MONEY MACHINE | Fundraising's Rewards

Suns of the Pioneers



Karl Rove
Adviser to the president

The Pioneer strategy team reported directly to Rove. Rove has become a "little gun-shy" when dealing with association executives and lobbyists, fearful that his involvement with any special interest might produce adverse publicity.



Jack Oliver
Family insider

Trusted insider in Bush's political family who managed the fundraising effort for both of his presidential campaigns. Oliver's main function was to tell Rove "what people had really done" to raise money, one Republican official said.



Fred Meyer
Former Texas GOP chairman

One of four Bush friends who helped figure out how to capitalize on the extensive network of rich and powerful people that Bush and his family had built up over the past 50 years.



Jeanne Johnson Phillips
Fundraiser

Phillips proposed a solution to the problem of giving Pioneers proper credit: Every fundraiser would be assigned a four-digit tracking number. A Pioneer would get credit only for checks that arrived with the correct tracking number clearly printed on them.



James B. Francis Jr.
GOP public relations specialist

Francis was in charge of the Pioneer program. He took part in the 1998 Midland meeting that set the goal to raise a minimum \$50 million to reject public financing for the 2000 Republican primaries.

Donors Asked to Build Pioneer, Ranger Networks

PIONEERS, From A15

going the party at least \$100,000.

The importance of this legacy to George W. Bush is clearly reflected in the composition of the 246 men and women who would become Pioneers in 2000. At least 60—24 percent—had been supporters of Bush's father in the 1980 or 1988 campaigns.

The fourth sphere was composed of the supporters of Bush's fellow Republican governors, most importantly those of his brother, Jeb Bush in Florida. By November 1999, well before any primaries or caucuses had been held, George W. Bush already had the endorsements of 26 of 30 GOP governors.

The Bush campaign tapped these sources to raise a then-record \$96.3 million for the primaries in 2000, far outdistancing Democrat Gore's \$49.5 million. Both candidates received \$68 million in public financing for the general election campaign.

In 2002, Congress enacted the McCain-Feingold bill banning contributions to political parties of what is known as "soft money"—unlimited donations from corporations, unions or the wealthy. Instead, the legislation raised the "hard money" limit on contributions to candidates from \$1,000 to \$2,000.

"The organization of the Pioneers and Rangers is significant, and it is the way of the future," said Ken Goldstein, a University of Wisconsin political scientist. "People with Rolodexes and the ability to raise money have always been valuable, but with the passage of McCain-Feingold, they have become especially valuable. . . . [T]he ability to get friends, colleagues and business associates to give the maximum hard money amount is now even more valuable."

With soft money banned, the 2004 Bush campaign has greatly expanded the Pioneer program, setting a new record of more than \$200 million raised so far. This year, Kerry, the presumptive Democratic nominee, followed Bush's lead and rejected public financing for his primary campaign, fearing he would be crushed by the Bush organization if he were forced to abide by the \$45 million spending limits that accompany public financing. Kerry recently released a list of 182 people who have each raised a minimum of \$50,000, helping to bring his total to at least \$110 million.

The Democrats are increasingly relying on independent groups known as 527s, after their designation in the tax code. They currently raise unlimited funds for political ads that have been used to attack Bush. Two prominent examples are the Media Fund and Moveon.org. Financier George Soros and Peter B. Lewis, chairman of the Progressive Corp., have each given more than \$7 million to these organizations.

For the general election campaign, Bush and Kerry are accepting public money; each will get \$75 million.

Until the conventions this summer, Bush can enjoy his spending advantage over Kerry, saturating the airwaves with ads that help to define Kerry, particularly in the battleground states.

The Bush reelection campaign is currently riding a wave of Wall Street money and has consolidated the Republican establishment with the backing of prominent Washington lobbyists and trade association executives. They are not only highly effective fundraisers themselves but also their client and membership lists include some of the most regulated, and most politically active, corporations in every state.

At least 64 Rangers and Pioneers are lobbyists, including Jack Abramoff, who until recently specialized in representing Indian tribes with gambling interests; Kirk Blalock, whose clients include Fannie Mae, the Health Insurance Association of America, and the Business Roundtable; Jack N. Gerard, president of the National Mining Association; and Lanny Griffith, whose clients include the American Trucking Associations, Brown & Williamson Tobacco Corp., the Southern Co., a major energy concern, and State Street Corp.

On Track to Appointments

Big donors, Republican and Democrat, have always received benefits from the administrations that received their largess. Bill Clinton brought big donors into the White House and let them sleep in the Lincoln bedroom and appointed some to government jobs.

The Bush campaign's innovation in the late 1990s was to institutionalize what other administrations had done more informally, which is to create a special class of donors



At a resort in Georgia last month, Republicans gathered to celebrate success in collecting money for the candidacies of George W. Bush.

For \$235 a set, Bush Pioneers, who raise \$100,000 each, are eligible to purchase silver cuff links, right, with black onyx inlays. Bush Rangers, who raise \$200,000 apiece, are eligible to purchase a sterling silver belt buckle set, below, for \$900.



that can be singled out from the pack and tracked with precision. Some of their transactions with the administration can also be tracked.

Sometimes the interests of Pioneers are relayed in subtle, indirect ways, through members of Congress or Republican leaders, especially in the case of major administration bills enacted since Bush took office: three bills granting tax relief to the wealthy and to corporations, the 2003 Medicare bill supported by the drug industry and other major health lobbies, and pending legislation providing tax breaks and regulatory relief to the energy sector.

At another level, requests for tickets to an event, such as a White House party, are likely to be more overt than the nuanced approach needed to get on the radar for a presidential appointment.

"It is noticed that you are doing extra work and you have a lot of friends in the administration," said Rep. Jennifer Dunn (R-Wash.), a Pioneer who was considered for a presidential appointment. Her son, Reagan Dunn, was hired by the Justice Department, and her new husband, E. Keith Thomson, was appointed last year as the director of the Office of Trade Relations. "A lot [of Pioneers] have a particular interest and you have lots of contacts, and you say, 'I'd like to sign up to be an ambassador when one comes along.'"

The Pioneer tracking system ensures that hard work gets noticed. That's why Rep. Rob Portman (R-Ohio) signed up this year. He read that Dunn, Speaker J. Dennis Hastert (R-Ill.), and others were Pioneers. Portman had already raised money, "but I didn't have a tracking number. I finally decided to get one. I wanted to be specially, and be viewed as supportive."

Critics complain that the Pioneer and Ranger program allows the campaign to track those who raise big money while cloaking details about them from the public; campaigns are required to report the names of the individual donors, but not the fundraisers who solicit the donations.

"The campaign is tracking them and giv-

ing them credit—and supposedly all the access and influence that comes with huge campaign contributions," said McDonald of Texans for Public Justice. He said the Bush campaign has never released a complete list of Pioneers and Rangers with the specific amounts of money they have raised. Once, in response to a lawsuit, campaign officials said that such a list was not available.

"It is unbelievable that the most successful fundraising list in the history of politics has been misplaced," McDonald said.

Gary C. Jacobson, a University of California at San Diego political scientist who specializes in campaign finance, said the Pioneer program "is a way of allowing individuals to accumulate political clout despite the fact that contribution limits are relatively low."

"You can no longer give \$100,000 and be an ambassador, but you might be able to raise that amount and accumulate the same kind of political debt," Jacobson said.

Nancy Goodman Brinker, one of the 23 Pioneers from the 2000 campaign who became an ambassador, said she does not remember exactly when or who first brought up a diplomatic appointment. She said it "seemed to evolve" after someone asked her whether she wanted to serve. The next thing she knew, she was talking to Clay Johnson in the White House personnel office about her choices. "One of the reasons why I chose and asked to be placed in Budapest," Brinker said at her Senate confirmation hearing, "was because I think there's been an amazing story of loyalty by this country."

Brinker said one of her primary concerns, before accepting the nomination, was her parents, who are in their eighties. The presidential personnel team works with a potential nominee to find a good fit, which she called "matching talent with interests." She knew George W. Bush from his days in Texas, where she founded the Susan G. Komen Breast Cancer Foundation, named for her sister who died of breast cancer.

"There were discussions where your talents fit in which country," Brinker said. "I



M. Teel Bivins, a Pioneer and Texas politician awaiting Senate confirmation as U.S. ambassador to Sweden, told the BBC in 2001: "You dance with them what brung ya."

specifically did not want to go—I could not—be farther than a 10-hour plane ride because of my [elderly] parents. I wanted to be in the European continent somewhere, particularly a country like this, where I thought I could try to make some kind of difference."

Patronage decisions for Pioneers and other friends of the president are made largely by Rove, the White House senior political adviser, and Andrew H. Card Jr., the chief of staff, in consultation with the Office of Presidential Personnel, which handles the vetting process, according to senior Republicans who would speak only on the condition of anonymity. Any donor who wants to be considered for a major job must indicate interest to one of those two men, the Republicans said.

These Republicans acknowledged that finance issues were taken into account, but said there were instances of donors being disappointed and people getting plum positions who had done little to help the campaign treasury.

In making decisions immediately after the election, Rove consulted Jack Oliver, a trusted insider in Bush's political family who managed the fundraising effort for both of his presidential campaigns. Oliver's main function was to tell Rove "what people had really done" to raise money, one of the senior Republicans said. Now, such decisions are made entirely within the White House, the official said, and Rove and Card also have sway over lesser favors, and "scrub the lists" of invitations to White House holiday parties.

"I can call Karl, and I can call about half of the Cabinet, and they will either take the call or call back," said one lobbyist Ranger, who described such access as "my bread and butter" and spoke only on the condition of anonymity. He and others noted that going to top officials in either the White House or in Cabinet departments is only used as a last resort on important issues and not always with success.

"It's much better to start with an assistant secretary or the White House public

liaison office. Those people know who you are and can usually deal with the issue," another Ranger said. "You don't seek out the maitre d' unless you really need to."

Several major fundraisers in the lobbying community complained that as the election approaches, Rove has become a "little gun-shy" when dealing with association executives and lobbyists, fearful that his involvement with any special interest might produce adverse publicity.

"It's different now that we are in campaign mode," the lobbyist said. "Karl doesn't even want to be involved in courtesy visits [with clients]. 'Don't bring this to my office,' he'll say. He's been snakebitten" because of past controversies over his alleged involvement with groups seeking special favors, especially decisions involving steel import tariffs.

In response to questions about his contacts with Pioneers and Rangers, Rove said, "I talk to a wide variety of people, members of the campaign from the grass roots on up. . . . It's part of my job to keep an open ear to what people are saying around the county."

White House sources said that if anyone refers to fundraising while seeking something from the administration, the policy is to then "vet" the request with the White House counsel's office to make sure no regulations or laws are being violated.

Commerce Secretary Evans also plays a key role. "Evans acts as a kind of court of appeals. . . . everybody knows that Evans is one of the president's best friends. So he can be very effective intervening for you with just about any department," one fundraiser-lobbyist said.

This lobbyist described the following situations as the type in which Evans can effectively help: "Say you've got a bunch of telecom companies that are frozen out of doing business in Russia, and [the] State [Department] won't do anything, or your sugar people can't get a fair hearing at USTR [the Office of the U.S. Trade Representative] in negotiations with Mexico. . . . [Evans] can make them stop and listen. He can get something unstuck."

Evans was the one fellow Pioneer Ken Lay turned to in desperation in the fall of 2001, when Enron spiraled toward bankruptcy. Lay wanted help with the company's credit rating, but Enron was in too much trouble, and Evans was unable to oblige.

For 2004: Super Rangers

Last month at the Ritz-Carlton Lodge on Lake Oconee, after the golf and the entertainment and a reception with Bush for the elite Rangers, the "appreciation" of the campaign's leading fundraisers gave way, inevitably, to a business meeting.

On a bright Saturday morning, more than 300 of Bush's Pioneers and Rangers eschewed the links to gather in a windowless conference room. Sipping imported mineral water and coffee, Wall Street mingled with Texas.

A Post reporter walked into the session, which the campaign described later as an event closed to the media. The speakers "were under the belief that they were speaking privately with our contributors," campaign communications director Nicolle Devenish said.

There they learned that the Rangers would soon lose their top status, just as the Pioneers had before them. Raising \$200,000 was a starting point, they were told. But to qualify as a "Super Ranger," they would have to raise an additional \$300,000 for the Republican National Committee, where the individual contribution limit is \$25,000.

"The name of the game is maxing out the dollars," Oliver told the gathering.

As the Super Ranger notion was unveiled, attendees shifted in their seats. Some looked up eagerly, but others demurred. "The rest of us, who don't have members or clients with deep enough pockets to come up with \$25,000 said, 'Oh, [expletive],' said one attendee who asked to remain anonymous.

To reach the new goals, Travis Thomas, the Bush-Cheney finance director, explained to the gathered Rangers and Pioneers how they could hold fundraisers in their homes featuring an appearance by the president that would bring in \$2 million to \$3 million in bundled contributions. Private homes, he pointed out, are more comfortable for the president.

And, Thomas added, "If it is in a private residence, it can be closed to the press."

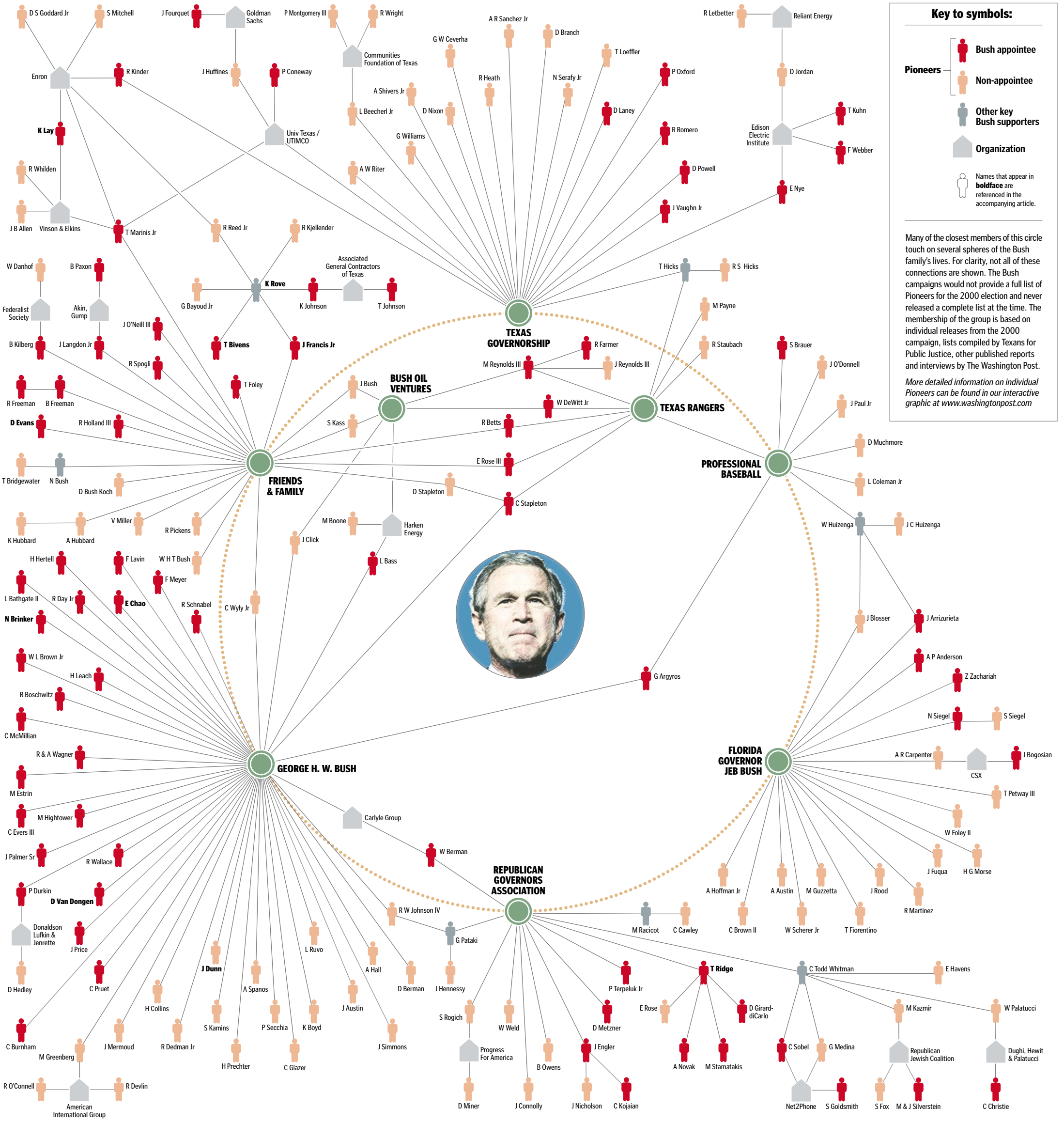
Staff writer Mike Allen and researcher Alice Crites contributed to this report.

THE BUSH MONEY MACHINE | Fundraising's Rewards

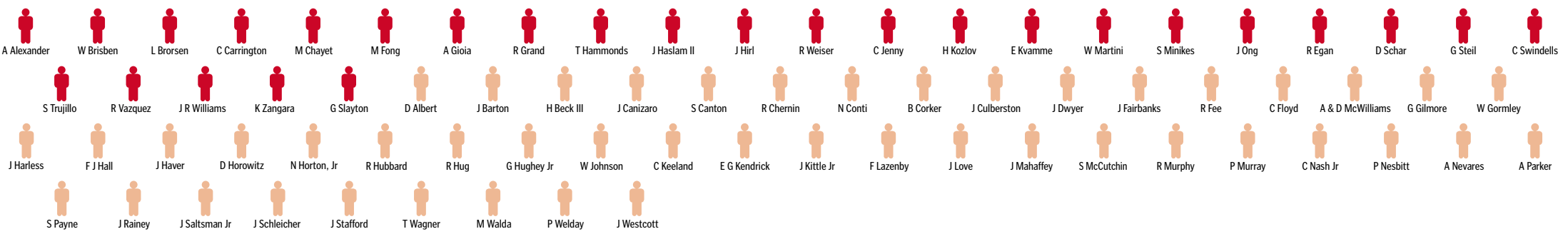
Spheres of Influence

George W. Bush reached into each of the spheres surrounding his life to find fundraisers for his first presidential bid. These Pioneers, who raised a minimum of \$100,000 each in individual contributions of \$1,000 or less in 2000, have changed the face of national campaign finance. They helped him raise a record \$96.3 million and allowed him to turn down federal matching funds that would have limited his spending during the primary elections. For Bush, they include classmates from Yale and Harvard, childhood friends, investors in his early

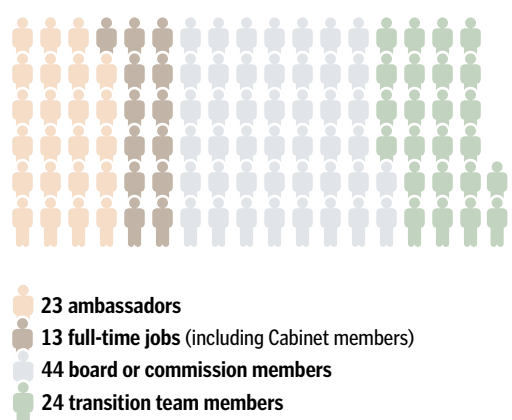
business ventures and contacts made through the Republican Governors Association and his partial ownership of the Texas Rangers baseball team. He also drew from his family's storied political life, tapping appointees and fundraisers from his father's presidential bids, his brother's political supporters in Florida and supporters and appointees from his six years as Texas governor. The Post found that about 170 of the 246 Pioneers in 2000 fell into one of these realms. Of the Pioneers, more than 100, or 40 percent, won a federal appointment after the election.



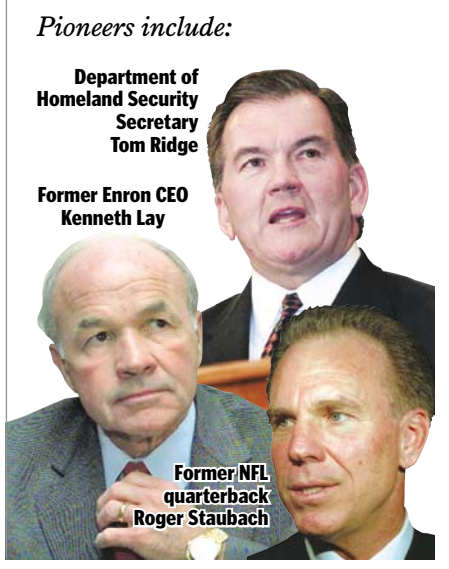
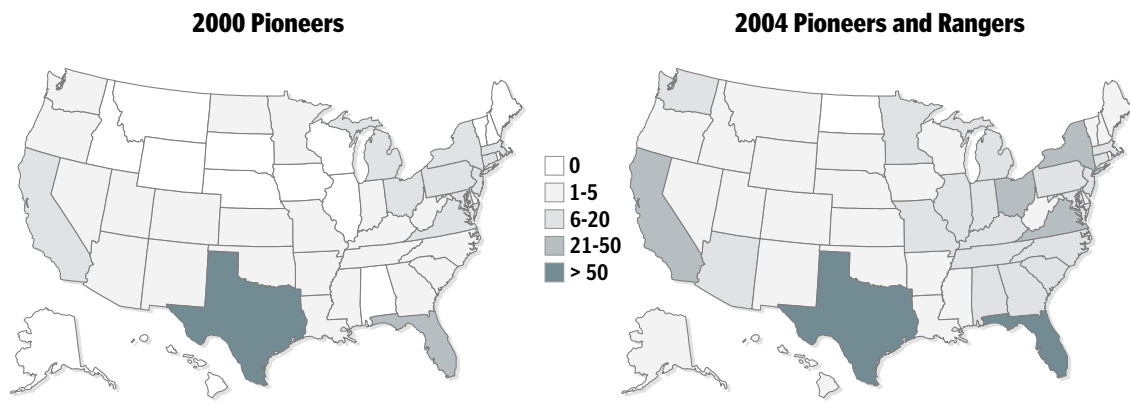
74 Pioneers were less closely connected.



104 Pioneers won jobs after the election:



About half of the 246 Pioneers from 2000 have made it onto the 2004 Bush campaign's fundraising list of 511 Pioneers and Rangers. The campaign has broadened its reach across the country, relying less on the Bush family's powerful networks in Texas and Florida.



SOURCE: Washington Post research and interviews, Texas for Public Justice, Bush-Cheney 2000 campaign, Leadership Directories, White House news releases, published reports

GRAPHIC BY SARAH COHEN AND LOUIS SPIRITO, WITH RESEARCH BY ALICE CRITES—THE WASHINGTON POST

Weather

Today: Mostly cloudy, thunderstorm. High 80. Low 65.
Tuesday: Partly sunny, storm or shower. High 84. Low 66

Details, Page B8

127TH YEAR No. 164 S DC MD VA

The Washington Post

MONDAY, MAY 17, 2004

M1 M2 M3 M4 M5 V1 V2 V3 V4

HOME EDITION

Inside: Washington Business
 Today's Contents on Page A2

NEWSSTAND 35¢
 HOME DELIVERY 31¢

Prices may vary in areas outside metropolitan Washington. (See box on Page A2)

THE BUSH MONEY MACHINE | An Industry Gets Its Way

Fundraiser Denies Link Between Money, Access

EPA Rule on Hazardous Waste Favored Ohio Businessman Who Is a Big GOP Donor

Second of two articles

By JAMES V. GRIMALDI and THOMAS B. EDSALL
 Washington Post Staff Writers

MASON, Ohio—Richard T. Farmer is one of America's richest men and a Bush Pioneer by virtue of having raised at least \$100,000 for the 2000 campaign. Over the past 15 years, he and his wife have given \$3.1 million to Bush campaigns, the Re-

publican Party and Republican candidates. Farmer's family controls Cintas Corp., a \$2.7 billion company that rents and launders uniforms and industrial shop towels. For years, Farmer's industry has been at odds with the Environmental Protection Agency over increased regulation of shop towels, particularly a Clinton administration proposal that, though not fatal, "would have cost us a lot of money," Farmer said.

In a recent interview at company head-

quarters here, Farmer said his campaign donations were made with no strings attached. He said he supports Republicans because they believe in "less government, more individual freedom, more individual responsibility."

"If you think I'm giving money to get access to [President Bush], you're crazy," Farmer said. "I'm just trying to get the right guy elected. That's all I care about."

The Clinton proposal would have required that woven shop towels contam-

inated with chemical solvents be wrung dry for them to be treated as laundry, not hazardous waste. Last November, the EPA changed its position, adopting a more lenient proposal for the woven towels. Farmer and his industry were overjoyed, because the change promised to save them millions and preserve their advantage over the competition—paper towels. "It would have been a big problem," Farmer said.

See PIONEERS, A8, Col. 2

Israel Plans To Destroy More Gaza Dwellings

Palestinians Flee Homes; Powell Voices Criticism

By ROBIN SHULMAN and GLENN FRANKEL
 Washington Post Foreign Service

RAFAH REFUGEE CAMP, Gaza Strip, May 17—Dozens of Palestinians fled their homes here Sunday in anticipation of another wave of demolitions that Israeli military officials warned will be carried out soon. Secretary of State Colin L. Powell said the United States opposes the demolitions and appealed to Israel to halt the destruction in the aftermath of a week of violence.

Israel's Supreme Court on Sunday rejected a petition from a Palestinian rights group seeking to stop the razing of homes in Rafah, which is located on the border between the Gaza Strip and Egypt. The three judges said the army had a "real, imminent need" that justified the demolitions.

A senior Israeli security official said the army was awaiting legal approval from the state attorney general's office before launching a new operation. "If we get a green light, we will move in," said the official, who could not be identified under the ground rules of the government briefing.

The official said the army had asked for permission to widen its security corridor from 100 yards to between 200 and 300 yards in a swath of territory where it says buildings are used by Palestinian gunmen and by smugglers ferrying arms and ammunition from Egypt to Rafah in deep tunnels. He would not estimate the number of buildings that could be destroyed, but Israel Radio reported that

See RAFAH, A15, Col. 3

War Dangers Don't Deter U.S. Workers

Jobs Offering High Pay Lure Thousands to Iraq

By JACKIE SPINNER
 Washington Post Staff Writer

BURNET, Tex.—Late on the night of April 9, Sylvia and Allen Petty sat on the front porch of their small rental house here in the hill country northwest of Austin and talked about the future. With six daughters, ages 4 months to 14, it was the only time of day they had to themselves, what they called their "midnight dates."

They had been discussing for a couple weeks the idea of Allen Petty, 31, going to Iraq. Two fellow truck drivers at his company in the adjoining town of Marble Falls had already left for jobs driving trucks for KBR, a subsidiary of Houston-based Halliburton Co.

That day, insurgents in Iraq had attacked a KBR convoy and killed four contract employees. But Allen Petty's \$30,000 salary just didn't stretch far enough. The family had no insurance, no money for movies or new clothes, no savings, no credit, and their car was on loan from Sylvia Petty's father.

"We really prayed," she recalled. "This is a beautiful town, but we're not making it here. I told him, 'Baby, you have to go.'"

Allen Petty applied to KBR for a truck-driving job the next day, one of thousands of Americans competing, despite the dangers, for jobs with the contractors working to supply the U.S. military or rebuild the country. After a week of training, he left for Iraq on the first Saturday in May.

See RECRUIT, A16, Col. 1

■ CACI contract: From routine tasks to interrogations. | Page E1

INSIDE

Nano Whatchamacallits

Creations in atomic-scale nanotechnology are so new and unusual that scientists are just grappling with a standard terminology to name them.

SCIENCE, Page A7

The Post on the Internet:
 washingtonpost.com



Contents © 2004 The Washington Post Company

0 70628 21100 3

Two-Thirds Of Federal Workers Get a Bonus

By CHRISTOPHER LEE and HAL STRAUS
 Washington Post Staff Writers

Almost two-thirds of 1.6 million civilian full-time federal employees received merit bonuses or special time-off awards in fiscal 2002, according to a comprehensive examination of federal records obtained by The Washington Post.

Of the 62 percent who got awards, half received \$811 or more. The typical bonus amounted to 1.6 percent of salary. The awards ranged from less than \$100 to more than \$25,000. At some agencies, more than 90 percent of General Schedule workers collected a bonus. Government-wide, about 2,900 employees received cash bonuses totaling more than \$10,000 each.

The disclosure of the figures brought varying reactions. Some civil service specialists said the proliferation of bonuses reinforces a common belief that many federal workers are rewarded for little more than showing up. Some agency and union officials said it was evidence of a talented workforce that performs admirably, and often at salary levels inferior to those of the private sector.

For the Bush administration, the numbers underscore the challenge President Bush faces in his drive to revamp personnel systems to more strongly tie pay to performance, an endeavor underway at the departments of Defense and Homeland Security. White House officials have called the federal pay system broken, saying it re-

See AWARDS, A10, Col. 1



By MICHAEL LLOYD—OREGONIAN VIA ASSOCIATED PRESS

Former Oregon governor Neil Goldschmidt had sex with a 14-year-old girl in the 1970s.

Oregon Roiled By Politician's Sordid Secret

By BLAINE HARDEN
 Washington Post Staff Writer

PORTLAND, Ore.—Neil Goldschmidt, the visionary former politician who transformed this Northwest city into a cool and enviable place to live, was back this year doing the deals he does so well.

Not since his surprise retirement after one term as governor in 1991, when he was only 50 and wildly popular, had his profile been so high. The former mayor of Portland and secretary of transportation under President Jimmy Carter had taken command of a statewide push to improve higher education. Now 63 and adept in the art of cashing in on his good name, he was also the public face for an out-of-state attempt to buy Oregon's largest utility.

Then, a sordid 30-year-old secret, one that Goldschmidt had paid about \$250,000 to hide away, oozed out of the shadows. Willamette Week, an alternative newspaper in Portland, obtained court documents showing that Goldschmidt, while mayor during the mid-1970s, had sex on many occasions with a 14-year-old girl. The revelation, which continues to mesmerize and depress people across Oregon, has destroyed the sterling reputation and lucrative career of the man who put Portland on the national map.

See GOLDSCHMIDT, A11, Col. 3

50 YEARS AFTER BROWN

In Summerton, S.C., Divisions Remain



PHOTOS BY KEVIN CLARK—THE WASHINGTON POST

Adrian Lindsay, 16, left, helps Charles Hart, 15, with an algebra problem in a class taught by Lottie Fleming, standing, at Scott's Branch High School in Summerton, S.C. The school is 98 percent African American after whites fled in the wake of desegregation.

Schools and Lives Are Still Separate

In Town That Helped Trigger Ruling, The Desegregation Revolution Fizzled

By MICHAEL DOBBS
 Washington Post Staff Writer

SUMMERTON, S.C.—In the late 1940s a slim, bespectacled preacher named Joseph A. DeLaine became outraged that the children of farmers who lived on the cotton plantations down by the Santee River had to walk two hours each way to an all-black school. He persuaded one of his parishioners to file a lawsuit seeking a school bus.

That petition eventually grew into a demand for school desegregation, and this small town's dispute became the foundation of the omnibus Supreme

Court case known as *Brown v. Board of Education*. On May 17, 1954, Chief Justice Earl Warren announced the court's decision that the doctrine of "separate but equal" had no place in U.S. public schools. It was a ruling that helped trigger the civil rights revolution—and change the face of America forever.

But not the place where the revolution began.

Fifty years later, white children and black children in Summerton still lead largely separate lives. Scott's



Headmaster Michael Connors gets a group hug from students at Clarendon Hall, the almost all-white private academy in Summerton.

Branch High School, a segregated, all-black school in 1954, is still more than 98 percent African American. Its 480 students include just six whites and two

See SUMMERTON, A6, Col. 1

Standing on the Left? You Must Be on Vacation

By LYNDSY LAYTON
 Washington Post Staff Writer

Here comes Sarah Shain, typical Metro rider. The 22-year-old District resident is hustling down the left side of the escalator to the lower platform at Metro Center, clacking on the moving metal steps in her sensible pumps, until she hits a roadblock: a pair of tanned tourists in shorts standing two abreast, talking and blocking her path to the Orange Line train idling at the bottom of the escalator.

"The train is right there and you see the doors closing and it's like, 'Get out of my way!'" said Shain, a behavioral and social researcher who missed that train by seconds.

Then, a moment of empathy. "A lot of the people who visit here come here from Middle America where there is no subway, so they're not used to it," said Shain, who grew up in Kentucky. "You have to just expect that if you live in this city. You have to deal with the tourists."

This is the paradox of daily life in the



BY BILL O'LEARY—THE WASHINGTON POST

A family riding four abreast on an escalator at Metro Center risks the wrath of impatient commuters. Six million tourists are expected this summer.

capital of the free world, where every second counts. The people who live and work here take themselves seriously, striding purposefully with their written testimony, task force recommendations

and briefing books. But it also is a place that attracts vacationers from around the globe, people who feel a familiarity with

See METRO, A12, Col. 1

THE BUSH MONEY MACHINE | An Industry Gets Its Way

Toxic Towel Timeline

These are key events in the efforts to change the shop towel rule juxtaposed with major political donations by Richard T. Farmer, chairman of the Cintas Corp., the industry's biggest company. The EPA and Farmer say his giving had no influence on the process.

Year	Date	Event	Amount
1999	Jan. 1	The industrial laundry industry is fighting a rule proposed by the Environmental Protection Agency in 1997 to require laundries to pretreat wastewater.	
	March 12	Farmer gives to National Republican Congressional Committee (NRCC).	\$150,000
	March 29	Farmer and immediate family members each give the maximum allowable to Bush.	\$4,000
	May 6	Farmer gives to annual GOP dinner.	\$50,000
	Aug. 19	The EPA withdraws pretreatment wastewater rule, saying the better way to control pollution is by removing solvents from towels at factories.	
2000	Jan. 21	EPA informally proposes a new rule to exempt contaminated shop towels from hazardous waste regulations if wrung dry and stored in containers.	
	March 14	Farmer gives to joint fundraiser for GOP congressional candidates.	\$200,000
	June 23	Cintas-affiliated Summer Hill Inc. gives to RNC.	\$100,000
	Aug. 31	Farmer's sister gives to RNC.	\$20,000
	Sept. 27	Farmer's brother-in-law and Cintas board director give to NRCC.	\$19,950
	Dec. 1	Farmer gives to the Bush-Cheney Recount Fund.	\$5,000
	Jan. 1	Farmer gives to the Bush-Cheney Inauguration Fund.	\$100,000
	Feb. 12	Trade groups write EPA Administrator Christine Todd Whitman asking her "to ensure that this industry is not unnecessarily regulated."	
	March 6	Farmer gives to RNC.	\$15,000
	March 30	Farmer and wife contribute to NRCC.	\$50,000
2001	April 24	Farmer gives to RNC.	\$120,000
	April 25	Farmer and wife give to RNC.	\$30,000
	May 8	Whitman responds to letter: "Partnerships with our stakeholders will be an important part of how we will do business at EPA."	
	May 16	Farmer gives to the President's Dinner.	\$50,000
	July 11	EPA attorney John Michaud writes in an e-mail "management asked us to ... address the laundry industry's concern over the reusable wipes being identified as a solid waste."	
	July 13	EPA meets with industry to discuss a solid and hazardous waste exemption for shop towels. Industry officials say EPA indicates the rule would not impose "any new additional requirements."	
	Dec. 17	Laundry trade groups and their attorneys meet with Michael Shapiro, EPA Solid Waste Office director, and provide a legal rationale for exempting shop towels from hazardous and solid waste rules.	
	Jan. 31	Farmer gives to RNC.	\$100,000
	March 18	The Office of Solid Waste and EPA's Office of General Counsel disagree over a solid-waste exclusion for shop towels.	
	March 19	Farmer gives to the NRCC.	\$250,000
2002	March 25	Farmer contacts Rep. Rob Portman and Sen. George V. Voinovich, who write Whitman, asking her to resolve the conflict between the Office of Solid Waste and the Office of General Counsel.	
	March 26	William M. Guerry Jr. sends the EPA office of Solid Waste chief Bob Dellinger "the requested draft language" for a new rule outlining an exemption for shop towels from solid waste rules if they "contain no 'free liquids.'" Under the proposal, towels would not have to be wrung dry.	
	April 25	Farmer gives to NRCC.	\$150,000
	April 29	Farmer gives to the President's Dinner.	\$50,000
	April 29	Whitman responds to Portman and Voinovich by confirming that EPA is considering a solid waste exemption for shop towels.	
	May 20	EPA officials sign off on solid-waste exemption for woven shop towels.	
	June 4	EPA officials Dellinger and Kathy Blanton meet industry officials and Guerry and confirm that the EPA plans a solid waste exemption for shop towels.	
	Aug. 2	EPA's Blanton e-mails Guerry "language we have put together to address the laundries' concerns."	
	Aug. 15	Guerry writes back suggesting numerous changes, including the deletion of a phrase stating that shop towels "remain regulated" and substituting "regulatory status...remains unchanged."	
	Aug. 20	Blanton's presentation to an industry meeting in Baltimore sympathizes with industry's "major concerns."	
2003	Aug. 30	Farmer gives \$250,000 and Farmer's brother-in-law gives \$150,000 to the National Republican Senatorial Committee (NRSC).	\$400,000
	Sept. 12	Blanton and Dellinger meet industry in Alexandria. Dellinger says the rule will be a "common sense, non-intrusive approach ... EPA doesn't want to make this onerous. ... The agency doesn't seek to add to generator facilities' expenses."	
	Oct. 24	Farmer gives to NRCC.	\$5,000
	Nov. 5	Farmer's sister gives to RNC.	\$15,000
	May 23	Farmer gives to NRCC.	\$25,000
	June 20	Cintas CEO Scott Farmer and his wife contribute \$4,000, the maximum allowable donation to Bush's reelection. Farmer's sister and her husband contribute \$3,000.	\$7,000
	June 30	Farmer and his wife contribute maximum to Bush.	\$4,000
	Aug. 12	Farmer gives to NRSC.	\$25,000
	Sept. 30	Bush attends Cincinnati fundraiser. Farmer helps raise \$1.7 million. His wife gives to RNC.	\$25,000
	Nov. 20	EPA proposes rule folding in industry's changes and giving solid and hazardous waste exemptions for shop towels not dripping with waste.	
2004	March 9	EPA holds hearing on rule.	
	April 9	EPA closes comment. Rule awaits final action.	

SOURCE: Environmental Protection Agency, trade groups, Center for Responsive Politics. Documents can be found at www.washingtonpost.com

Writing the Rule

In 2002, as the Environmental Protection Agency was drafting a proposed rule on shop towels contaminated with solvents, officials in the Office of Solid Waste consulted with an attorney representing two industrial laundry trade groups. What follows is part of an e-mail exchange.

1 Previewing the rule with the lobbyist

In August 2002, the EPA's Kathy Blanton e-mailed to industrial laundry lobbyist William M. Guerry Jr. that she'd been asked by a supervisor "to forward to you the language we have put together to address the laundries' concerns on the rule's impact."

"Because this action is a proposed rulemaking, provisions of the proposal, as well as EPA's assumptions and rationale leading to them, are subject to public notice and comment. Therefore, until a final rule governing these materials is issued, they remain regulated, as they are currently, by the State or EPA Region implementing the RCRA program. This proposed rule is not intended to affect individual states' policies and regulations on management of industrial wipes until it, or a variant of it, is finalized."

2 Sending it back, with edits

Ten days later, Guerry replied, saying, "Thank you for providing [the trade groups] with the opportunity to suggest the following clarification to the EPA's draft, proposed, shop towel preamble language." He then sent back the language, edited.

or in any way ... EPA Regional exemptions of policies through this proposed federal rulemaking. "Because this action is a proposed rulemaking, provisions of the proposal, as well as EPA's assumptions and rationale leading to them, are subject to public notice and comment. Therefore, until a final rule governing these materials is issued, (strikethrough: they remain regulated), the regulatory status and classification of these materials, including all regulatory exemptions and exclusions, remains unchanged, (strikethrough: as they are currently, (strikethrough: by the State or EPA Region implementing the) under the current RCRA programs implemented by States and EPA Regions. This

3 Edits in the proposed rule

This is how the language appeared in the Federal Register when the proposed rule was published in November 2003.

Because this action is a proposed rulemaking, provisions of the proposal as well as EPA's assumptions and rationale leading to them, are subject to public notice and comment. Therefore, until a final rule governing these materials is issued, including all regulatory exclusions under the current RCRA programs implemented by a state or EPA region implementing the RCRA program, remain unchanged. See section IX.B. of this ...

Guerry said the change was important to prevent "chaos" in the states, where the language could have been misread. EPA spokeswoman said Marjorie Buckholtz said sharing language with a lobbyist "is a very common part of the process." Laundry rivals said they were not given such an opportunity.



Copies of the full e-mails can be found along with other documents at www.washingtonpost.com.

Source: EPA documents obtained under the Freedom of Information Act

Changing Way Government Regulates

PIONEERS, From A1

After a series of telephone calls, e-mails, letters and meetings with representatives of the laundry industry, the EPA had provided industrial-laundry lobbyists with an advance copy of a portion of the proposed rule, which the lobbyists edited and the agency adopted.

That same opportunity was not given to the rule's opponents—environmental groups, a labor union, hazardous-waste landfill operators and paper towel manufacturers who argue their product should be treated as environmentally equal to laundered towels. The opponents say industrial laundries send tens of thousands of tons of hazardous chemicals to municipal sewage treatment plants and landfills where toxics can get into groundwater, streams and rivers. Labor unions contend that the towels expose workers to cancer-causing fumes.

Cintas said in a statement that the rewritten rule will prevent pollution because "reusable shop towels are friendlier to the environment" than disposable paper towels. The proposed shop towel rule is but one example of a policy change by the Bush administration that favors a company controlled by a Bush Pioneer or Ranger, who as a group have helped the president bank a record \$200 million for the 2004 election campaign. The shop towel case reflects the subtle interactions between corporations and an administration determined to roll back what it considers to be regulatory overkill. For many big donors, getting "the right guy elected," as Farmer puts it, is an end in itself.

EPA Assistant Administrator Marianne Lamont Horinko said Farmer's campaign contributions had nothing to do with the agency's decision. Although Cintas was represented by the industrial-laundry lobbyists in discussions with the EPA, Farmer said he himself did not directly contact the administration about the proposed rule. He did say that, at the behest of the laundry industry, he called members of the Ohio congressional delegation, who wrote to then-EPA Administrator Christine Todd Whitman. In a summary of the rule, the EPA said it would improve "clarity and consistency" of regulation, "provide regulatory relief, and save affected facilities over \$30 million." Whitman—who resigned from the EPA last year and has since become a Bush Ranger—declined to be interviewed. But she said through a spokesman that contacts such as those from the Ohio congressional delegation "are helpful because they highlight an interest and a constituent's interest" and "that just feeds into the deliberative process."

Fred Meyer, the former chairman of the Texas Republican Party who in 1998 helped set up the Pioneers for then-Texas Gov. George W. Bush, said there is a good reason money will always flow to political campaigns. "There are too many things that are important to too many people," Meyer said. "The existence of businesses and billions of dollars are affected."

Democrats have their own history of rewarding large donors. President Franklin Delano Roosevelt appointed major contributor Joseph P. Kennedy to be ambassador to Britain. Lyndon B. Johnson funneled contracts to Texas firms.

Direct quid pro quos—specific benefits in exchange for cash—are

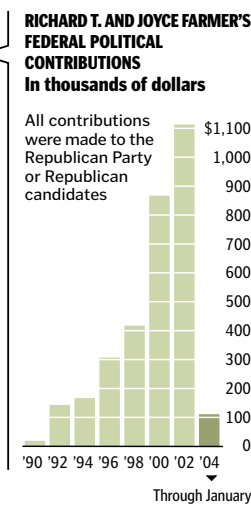
Top 10 Pioneers

Cintas Corp. chairman Richard T. Farmer is the No. 1 political contributor among Pioneers, elite Republican fundraisers who have successfully solicited a minimum of \$100,000 each in individual contributions. Many of the Pioneers are also large individual contributors to Republican candidates and party causes. Farmer's campaign contributions have increased significantly over the past 15 years.

NAME	TOTAL
1 Richard T. Farmer	\$3,123,921
2 Sam Fox	1,832,789
3 Alex G. Spanos	1,725,177
4 Joseph C. Canizaro	1,498,694
5 Charles J. Wyly Jr.	1,354,613
6 Robert Addison Day Jr.	1,143,222
7 James H. Click	1,092,420
8 Robert Wood Johnson IV	1,067,836
9 Howard H. Leach	1,047,408
10 Kenneth & Linda Lay	1,036,320

NOTE: Includes contributions from 1989 to 2004 from the contributor and his immediate family to Republican candidates, the Republican Party and the Bush inauguration fund.

SOURCE: Center for Responsive Politics



illegal. There is nothing illegal, however, about the adoption of broad legislation or regulations benefiting sectors of the business community—such as laundries disposing of wastewater containing toxic chemicals—that happen to be a source of major fundraisers and donors.

For example, securities and investment banking firms have benefited enormously from reduced capital gains and dividend taxes initiated by the Bush White House. Six produced 17 Pioneers and Rangers this year, and employees in those firms have raised \$2.53 million. Altogether, finance industry employees have raised \$19.68 million for the 2004 election campaign, according to an analysis produced for The Washington Post by Dwight L. Morris & Associates.

Twenty-four Rangers and Pioneers are either drug industry executives or lobbyists whose companies stand to get more business from the administration's Medicare drug benefit bill passed last year. Twenty-five energy company executives, along with 15 energy industry lobbyists, are either Pioneers or Rangers. Many have been deeply involved in developing the administration's energy policy. Seven of those Pioneers served on the Bush energy transition team. The administration's energy bill, which remains stalled by a largely Democratic filibuster in the Senate, would provide billions of dollars in benefits to the energy industry.

Industry: \$400 Million Cost

The proposed shop towel rule shows how the process can play out to the advantage of a Pioneer.

For more than two decades, the EPA has grappled with how to regulate the cloth towels used to wipe up chemicals in printing plants, factories and industrial shops. Each year, 3 billion of them sop up more than 100,000 tons of hazardous solvents such as benzene, xylene, toluene and methyl ethyl ketone.

"Why should these materials be regulated as a hazardous waste?" the EPA said in a document given to the laundry industry in 2000. "Because they have the potential to cause fires, or to be the source of fugitive air emissions, and ground water contamination."



BY MARK LYONS FOR THE WASHINGTON POST
Top donor Richard T. Farmer: "Just trying to get the right guy elected."

In 1997, the Clinton administration proposed a clean-water rule requiring industrial laundries to pretreat their wastewater to remove chemical solvents. The Uniform & Textile Service Association (UTSA) and Textile Rental Services Association of America (TRSA) mounted a \$1.2 million lobbying campaign against the proposed rule, arguing that toxic pollutants are removed at the laundries or by municipal wastewater treatment plants. The trade groups said the proposal would have cost them more than \$400 million.

In 1999, the Clinton EPA withdrew the rule. The next year, with Clinton still in the White House, the EPA floated a new draft rule that proposed to exempt shop towels from hazardous-waste requirements only if factories squeezed the towels "dry"—defined as containing no more than five grams of solvents—before placing them in sealed containers and sending them to laundries.

Calling this "an extremist view in the EPA," the laundry industry forcefully opposed the new proposal as overregulation.

But environmental activists, labor groups and paper towel makers said the laundries and local treatment plants frequently exceed their mandated pollution limits. Sixty-five Cintas laundries in 15 states and Canada have exceeded pollution limits on more than 1,100 occasions in the past several years, according to public records gathered by the Sierra Club and the Union of Needletrades, Industrial and Textile Employees (UNITE).

For the EPA and the laundry industry, things changed when Bush took office in 2001. The industry pushed hard to derail the Clinton proposed rule in favor of a more le-

nient one that gives shop towels a hazardous-waste exemption without the need to wring them dry or store them in special containers.

Laundry trade groups appealed directly to EPA Administrator Whitman in February 2001: "The draft regulation in its current form ... increases the regulatory burden."

In May, Whitman sent a conciliatory response: "Partnerships with our stakeholders will be an important part of how we will do business at EPA."

To aid in the effort, the industry urged contributions to its Textile Rental Services Association's Political Action Committee. "Will PAC donations open doors, get appointments and allow your message to be delivered? Absolutely," Textile Rental magazine said in its March 2002 edition.

Exemption Sought at EPA

In Richard Farmer, the industry had one of the biggest political givers in the country.

For President George H.W. Bush, Farmer, now 69, was a member of "Team 100," donors who gave more than \$100,000 to Republican Party-building committees. When George W. Bush ran for office in 2000, Farmer's "golfing buddy," Cincinnati financier Mercer Reynolds III, recruited Farmer to be a Pioneer, Farmer said. This year, he earned the more exalted Ranger status by raising a minimum of \$200,000 in individual contributions.

Farmer said that his big gifts are not connected to political favors.

In the case of shop towel regulation, Farmer said Cintas itself was unconcerned. "We huddled up and [decided] no matter what happens here, it will have no impact on Cintas," he said.

Later in the interview, when specifically asked about the Clinton-era proposal, he said it would have hurt Cintas by making it difficult for the company to provide the full range of services its customers demand. Shop towels are now about 5 percent of Cintas's business, but they remain an important service to customers who also rent uniforms.

Farmer said he never contacted the administration about the new rule. He said he did complain about the rule to Ohio Republican Sen. George V. Voinovich and Rep. Rob Portman, a fellow Bush Pioneer and chairman of Bush's campaign in Ohio this year.

Farmer said he made the calls in 2002 on behalf of the two laundry trade groups. Cintas is the biggest company in the industry, but Farmer said that complaints from hundreds of small laundries probably had more impact than his calls. "It would have put small guys out of business," he said.

Portman said in a recent interview that he was first contacted by one of the trade groups, which he knew represented Cintas, "one of those big companies in our district." He said he considered it a constituent issue. "I do remember talking to Dick about it at least once," he said.

About the same time in 2002 that Farmer was making his calls and the trade groups were contacting members of Congress, he made a major contribution. On March 19, 2002, Farmer gave \$250,000 to the National Republican Congressional Committee.

On March 25, Portman and Voinovich co-wrote a letter to Whitman asking her to support a more encom-

THE BUSH MONEY MACHINE | An Industry Gets Its Way

EPA and
The Shop
Towel Rule

passing waste exemption for shop towels—this one from *solid* waste regulation. Gaining a solid-waste exemption would remove a further layer of regulation because some states apply additional taxes, fees and special handling requirements to solid waste.

Whitman spokesman Joe Martyak said such a letter from lawmakers "helps to precipitate a meeting to find out what's the glitch. You help to unglitch it, to move it along."

At this point, EPA attorneys were balking at the solid-waste exemption, Portman and Voinovich said in their letter.

A month later, Whitman wrote Portman and Voinovich that the EPA was considering the solid-waste exemption and assured that it would "incorporate suggested changes where appropriate."

Three weeks later, EPA officials signed off on the exemption, according to the trade group's timeline.

Jim O'Leary, the EPA official who wrote the original language that was rewritten, said there was no political interference from Whitman's office. "That's nonsense," O'Leary said. "We called it the way we saw it. No one interfered."

A Rule That Isn't 'Onerous'

On Aug. 2, EPA's Kathy Blanton, who replaced O'Leary, e-mailed to industry attorney William M. Guerry Jr. the "language we have put together to address the laundries' concerns," according to a copy of the e-mail obtained under the Freedom of Information Act.

Guerry wrote back on Aug. 15 with proposed changes, documents show. Among them was deletion of a phrase in the preamble stating that shop towels "remain regulated." Instead, the lobbyist wanted the words "regulatory status . . . remains unchanged."

Guerry, in an interview, said the change was important to make sure that states did not misread the rule as a significant change in policy. Otherwise there would have been "chaos" and a "train wreck," he said. EPA officials shared the language with him, he said, because "they recognized that we had the expertise they needed."

Blanton said she sent Guerry just part of the regulatory language. "I can see how, from the outside, that it would look like colluding or something. [But] these were the people who were going to be most affected by the rule and they were the ones with the expertise." She said at this point the EPA had already had sufficient input from the paper towel people and others affected by the rule.

Opponents, including the union, environmentalists and paper towel makers, say they were not given an advance look at the language. Ralph Solarski, a Kimberly-Clark Corp. executive who chairs a task force of paper towel makers, said his group would have been glad to have one.

"Kathy Blanton and Bob Dellinger at EPA were asked on multiple occasions for advance copies and we were consistently denied," Solarski wrote in an e-mail to The Post.

EPA officials attended two industry meetings to discuss the proposed rule, one in Baltimore on Aug. 20 and one in Old Town Alexandria on Sept. 12. On Aug. 30, Farmer donated \$250,000 to the National Republican Senatorial Committee.

EPA's Office of Solid Waste Director Dellinger spoke at the Alexandria meeting. His comments later appeared in the trade group's magazine: "EPA doesn't want to make this onerous."

Instead of screw-on, sealed containers for transporting contaminated woven towels from factories to laundries, which were proposed in 2000, Dellinger said, a piece of plywood over a barrel would meet the new EPA proposed standard.

Also, the EPA opted not to require the towels to be wrung out. "The point of that is not to make it harder to do than what you would do through your normal course of business," Dellinger said.

However, he told the group, the paper towel industry would have to wring out its towels to make sure they had no more than five grams of solvent on them before being dumped.

The new proposed rule was published in the Federal Register on Nov. 20, 2003.

Paper industry officials say that the EPA is ignoring its own studies showing that laundries create 30 percent more waste than paper towels in the form of sludge—lint, debris, toxics and other substances extracted from laundry wastewater—sent to municipal landfills.

"This is a case study," Solarski said, "for how an industry has used the regulatory process to gain a market advantage."

Post database editor Sarah Cohen and researcher Alice Crites contributed to this report.

Pioneers and Power

Across Federal Spectrum

The Bush Pioneers, who agree to raise a minimum of \$100,000 each for the Bush campaign, are well-connected throughout the Bush administration. Here are some examples of the subtle interaction of political fundraising and public policy.

Hunt Oil Co.

Bush Pioneer Jose Fourquet played a pivotal role in the financing of a massive Peruvian natural gas project that benefited Hunt Oil Co., whose chairman, Ray L. Hunt, signed up to be a Pioneer and is a longtime ally of the president.

The Camisea Natural Gas Project is set to extract fossil fuel from one of the world's most pristine tropical rain forests and pipe it over the Andes toward Lima and the coast, where it will end up at a depot near a marine sanctuary. Hunt is one of several participants in the project. His company hired Halliburton's Kellogg Brown & Root to design a \$1 billion export terminal on the coast.

Fourquet, the Treasury Department's U.S. representative to the Inter-American Development Bank, rebuffed the official written and oral recommendation from other U.S. officials to vote "no" on the project. Instead, he abstained on \$135 million in financing for the project, allowing it to proceed. Opposition from the United States, a primary funder of the IDB bank, would have jeopardized the deal.

In a strongly worded memo sent before the vote, the U.S. Agency for International Development told the Treasury Department that federal law required Fourquet to cast a "no" vote because environmental reviews were deficient. In addition, others on a federal interagency task force urged opposition.

A separate proposal for financing from the Export-Import Bank of the United States fell short over environmental concerns. April H. Foley, a Bush appointee and the Ex-Im Bank board member who cast the deciding "no" vote, said the president questioned her about it afterward. She told Friends of the Earth campaign director Jon Sohn, that President Bush brought it up during an overnight stay at Camp David. Bush asked her to explain her vote to national security adviser Condoleezza Rice, who was involved in providing direction to Fourquet in how to vote.

Foley declined to discuss her vote. The Camisea project also encountered fierce opposition from worldwide environmental groups and some members of Congress, who predicted the massive extraction and pipeline project would destroy the rain forest in the Southeastern Amazon and endanger its indigenous people. Environmental groups issued reports recently saying their worst fears are coming true—indigenous people coming down with illnesses, a massive fish kill in Paracas Bay.

Media releases from the Bush campaign do not say whether Hunt formally reached Pioneer status, but court documents list Hunt as being given Pioneer Solicitor Tracking No. 1002. The Bush campaign has stopped answering questions about who was in the program.

Hunt has declined repeated requests for information about the bank's vote or his campaign contributions. Federal records show he has given nearly \$100,000 to Republican causes in the past four years, including individual donations to the Bush campaign.

There are other significant Bush connections to Hunt. His chief of public affairs, James Curtis Oberwetter, recently became Bush's ambassador to Saudi Arabia. He was replaced at Hunt Oil by Jeanne Johnson Phillips, one of the creators of the Bush Pioneer program, a current campaign adviser and former ambassador under Bush to the Organization for Economic Cooperation and Development in Paris.

Bush also appointed Hunt to the Federal Reserve Bank of Dallas and to the Foreign Intelligence Advisory Board.

Fourquet, 37, who was an investment banker before he joined the administration, resigned his post last month. He did not return phone calls.

Microsoft Corp.

Among the top priorities for Bush Pioneer and Rep. Jennifer Dunn (R-Wash.) was an end to the Justice Department's antitrust lawsuit against Microsoft Corp. Dunn represents Redmond, Wash., where the software giant is based.

In 2000, the Clinton Justice Department won the major parts of its case against Microsoft and proposed breaking the world's largest software company in two. An appeals court threw out the breakup plan the next year and sent the matter back to U.S. District Court. The Bush Justice Department then settled the matter on terms widely seen as favorable to Microsoft. Critics say that the settlement fails to address the harm Microsoft's monopoly power inflicted on other companies. The Justice Department defended the settlement as a fair resolution of the case. A federal judge accepted the terms.

Last week, the Bush administration nominated the lead Justice Department negotiator in the Microsoft case, Deborah P. Majoras, to be chairman of the Federal Trade Commission.

"I just think it is a different atmosphere now," said Dunn, who was one of the first Pioneers, exceeding her \$100,000 commitment with the help of Microsoft donors. "In the Clinton administration, the Justice Department brought suit against them. President Bush said 'I'm for innovation—not regulation.' That was important to Microsoft that he kept his word."

This year, Microsoft has two Pioneers, John Connors and John Kelly. More than 100 people from Microsoft attended an event for Bush, Dunn said. Employees have given more than \$160,000 in contributions, placing Microsoft among the top companies donating to Bush, according to the Center for Responsive Politics.



Hunt Oil official Jeanne Johnson Phillips, a founder of the Bush Pioneers and former ambassador.



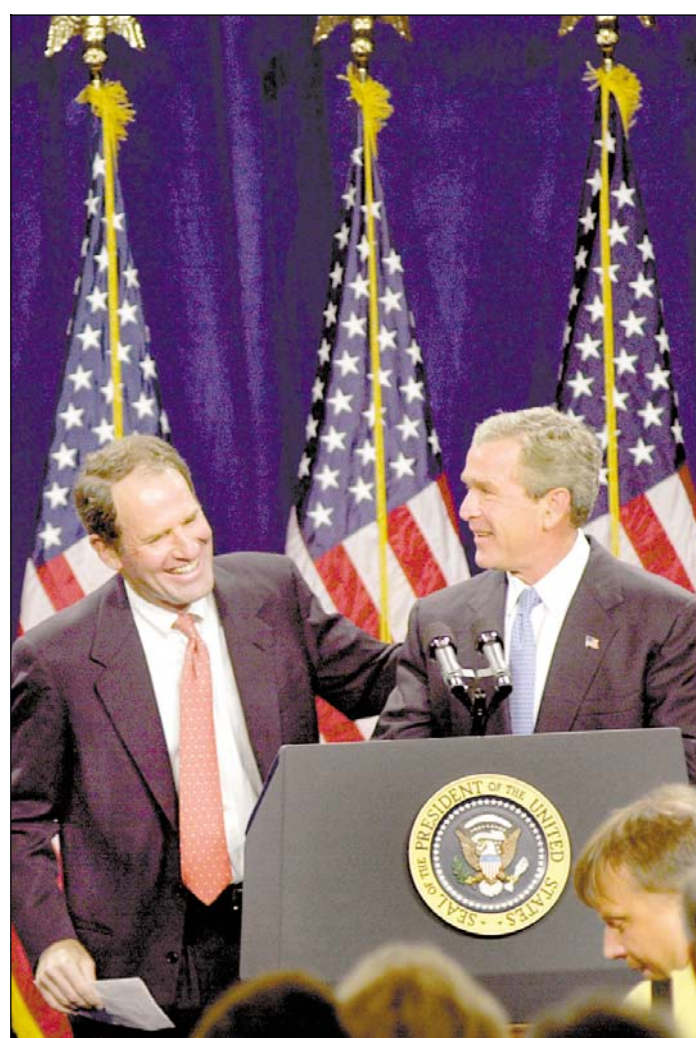
Pioneer and Bush ally Ray L. Hunt, left, chairman of Hunt Oil Co., participated in a natural gas project in a Peruvian rain forest. A Hunt Oil official recently became envoy to Saudi Arabia.



Rep. Jennifer Dunn (R-Wash.), above, whose district is home to Microsoft Corp., sought an end to the Clinton administration's antitrust suit against the software firm. She says there is a "different atmosphere" now on regulation. She is one of the first Bush Pioneers.



Microsoft chief financial officer John Connors, right, is a Bush Pioneer, one of two at company.



President Bush joshes with Allan B. Hubbard at a fundraiser in Indianapolis. Hubbard, a Bush Pioneer and chemical industry executive, attended Harvard Business School with Bush.



Pioneer Frederick L. Webber, left, took a group of chemical industry executives to a meeting with Bush political adviser Karl Rove. They were opposing the EPA on plant security.

Chemical Industry

At least half a dozen members of the chemical industry became Bush Pioneers in 2000, among them Frederick L. Webber, then-chairman and chief executive of the American Chemistry Council; J. Roger Hirl, former president of the group and chief executive of Occidental Chemical Corp. in Dallas; and Allan B. Hubbard of E & A Industries Inc., who attended Harvard Business School with Bush.

Before leaving the chemical manufacturers' trade group in 2002, Webber had led a fierce battle over plant security.

After Sept. 11, 2001, chemical and petroleum plants faced the prospect of new inspections to ensure security was sufficient to prevent terrorist attacks. Reports for years had warned of chemical plant vulnerabilities. Federal studies said a properly mounted attack could kill millions. After the terrorist attacks, the Bush administration ordered the reports removed from the Internet.

The Environmental Protection Agency took the lead in formulating a policy to regulate chemical plant security. EPA officials said that under the Clean Air Act these plants had a "general duty" to secure their facilities against terrorist attack. Then-EPA Administrator Christine Todd Whitman ordered a policy developed. In 2002, EPA outlined this new enforcement regime, according to internal documents obtained by the Natural Resources Defense Council.

Separately, Sen. Jon S. Corzine (D-N.J.) proposed legislation that would mandate that EPA take the lead role in enforcing plant security.

Chemical industry officials argued that the plants were already bolstering security and they appealed to the administration to keep EPA away from the issue.

Webber and Greg Lebedev, who eventually replaced him as chief executive of the American Chemistry Council, took a group of industry executives to the White House, where they met with Bush political adviser Karl Rove and the White House Council on Environmental Quality in September 2002, Lebedev said. The group urged the administration to oppose the Corzine bill.

Afterward, Rove wrote one of the attendees, the president of BP Amoco Chemical Co. "We have a similar set of concerns," Rove stated in a letter that was obtained under the Freedom of Information Act by Greenpeace.

Webber, who now is president of the Alliance of Automobile Manufacturers, declined to comment. Lebedev, the lobbyist, said: "We had a meeting with Karl Rove. We think that's a good thing. We take people to meetings with people in government around town all the time."

In 2003, the White House gave responsibility for chemical plant security to the Department of Homeland Security. The new department, however, does not have authority to enforce security upgrades at the plants, according to environmental groups, members of Congress and the chemical industry. Lebedev said the American Chemical Council is working with Congress on legislation to give the department that authority.

Friends in High Places

Tom Loeffler, a 2000 Pioneer and a 2004 Ranger, has been a Bush family loyalist for more than a quarter century. Now, Loeffler is marketing those ties in the lobby shop he has opened here.

His firm, Loeffler Jonas & Tuggey, notes on its Web site: "Members of the firm's Government Affairs Group have strong ties to the current Administration, having worked directly with the President, the Vice President, the White House Chief of Staff, Cabinet Secretaries and their principal deputies and aides."

Those links were forged in President George H.W. Bush's 1988 campaign, when Loeffler was Texas co-chairman. In 1994, Loeffler was finance co-chair of George W. Bush's gubernatorial campaign in Texas. In the two Bush campaigns for governor, Loeffler was the largest donor, \$141,000.

In the 1998 election cycle, he served as national co-chair of the Republican National Committee's "Team 100" program for donors of \$100,000 or more, and then held the same title during George W. Bush's presidential campaign in 1999-2000.

In May 2000, Loeffler left the now-defunct Arter & Hadden, taking the Cleveland-based firm's San Antonio lawyers, to found his own lobby-law firm, Loeffler Jonas & Tuggey, with offices here and in San Antonio.

Since Bush's election, Loeffler's firm has grown fivefold, an impressive feat for a K Street newcomer. In 2001, its first year in Washington, Loeffler Jonas & Tuggey received \$1.01 million in lobbying fees.

In the next two years, that total skyrocketed, to \$4.09 million and \$5.71 million, respectively. Among clients he picked up: Bristol-Myers Squibb Co., Lockheed Martin Corp., Motorola Inc., the National Association of Broadcasters, SBC Communications Inc. and Southwest Airlines Co.

Loeffler declined to be interviewed for this article, but in January 2001 he told Roll Call, a newspaper that covers Congress, that he had recently "visited with the president-elect and said that any way that I can be helpful, I will be. I will not be a part of the administration. I'm sure that as times go forward, wherever my strengths can assist, I'll be called upon."

— James V. Grimaldi and Thomas B. Edsall