

Sen. John McCain has come under scrutiny for two letters he wrote the Federal Communications Commission in 1999, at the request of lobbyists working on a deal involving broadcaster Lowell "Bud" Paxson. A disputed New York Times story sparked controversy about McCain's connection to one Paxson lobbyist, Vicki Iseman. This is the report on Iseman's lobbying for Paxson from that time period. Read below to see what these reports show, what they don't show, and how a new ethics law will improve disclosure of lobbying.

Legislative Resource Center
B-106 Cannon Building
Washington, DC 20515

Office of Public Records
232 Hart Building
Washington, DC 20510

SECRETARY OF THE SENATE

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LOBBYING REPORT

Lobbying Disclosure Act of 1995 (Section 5) - All Filers Are Required To Complete This Page

1. Registrant Name <u>Alcalde, Fay</u>			
2. Address <input type="checkbox"/> Check if different than previously reported <u>2111 Wilson Blvd, 8th floor Arlington, VA 22201 USA</u>			
3. Principal Place of Business (if different from line 2) City: _____ State/Zip (or Country) _____			
4. Contact Name <u>Vicki Iseman</u>		Telephone <u>703-841-0426</u>	E-mail (optional) <u>iseyman@alcalde-fay.com</u>
5. Senate ID # <u>818-571</u>		6. House ID # <u>31771030</u>	
Client Name <input type="checkbox"/> Self <u>Paxson Communications Corporation</u>			

McCain sent letters to the FCC urging action on the Paxson deal during this time period.

TYPE OF REPORT 8. Year 1999 Midyear (January 1-June 30) OR Year End (July 1-December 31)

9. Check if this filing amends a previously filed version of this report
10. Check if this is a Termination Report Termination Date _____
11. No Lobbying Activity

Reports will be quarterly, instead of bi-annual, under the new law.

INCOME OR EXPENSES - Complete Either Line 12 OR Line 13	
<p>12. Lobbying Firms</p> <p>INCOME relating to lobbying activities for this reporting period was:</p> <p>Less than \$10,000 <input type="checkbox"/></p> <p>\$10,000 or more <input checked="" type="checkbox"/> <u>\$ 60,000</u> Income (nearest \$10,000)</p> <p>Provide a <u>good faith</u> estimate, rounded to the nearest <u>\$20,000</u> of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).</p>	<p>13. Organizations</p> <p>EXPENSES relating to lobbying activities for this reporting period were:</p> <p>Less than \$10,000 <input type="checkbox"/></p> <p>\$10,000 or more <input checked="" type="checkbox"/> <u>\$ _____</u> Expenses (nearest \$10,000)</p> <p>Starting 2008, income will be rounded to the nearest \$10,000.</p>
<p>14. REPORTING METHOD. Check box to indicate expense accounting method. See instructions for description of options.</p> <p><input type="checkbox"/> Method A. Reporting amounts using LDA definitions only</p> <p><input type="checkbox"/> Method B. Reporting amounts under section 6033(b)(8) of the Internal Revenue Code</p> <p><input type="checkbox"/> Method C. Reporting amounts under section 162(e) of the Internal Revenue Code</p>	

Paxson (now called ION Media Networks) wanted FCC approval to acquire a Pittsburgh TV station.

"Good faith" is about all you get on these forms. Though lying is prohibited, there isn't a thorough fact-checking process...

...However, under the new law, the U.S. Government Accountability Office will do random audits, and there will be stiffer penalties for failing to comply.

Signature [Signature] Date: 2/14/00
Printed Name and Title Vicki Iseman - Partner

This form doesn't require disclosure of "grassroots lobbying." For example, if Paxson had hired phone banks to call Pittsburgh residents and urge them to support the deal, that spending would not have to be disclosed. And under the new rules, it still wouldn't.

Registrant Name: Alcalde, Fay Client Name: Paxson Communications Corp.

LOBBYING ACTIVITY Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code (DOM) (one per page) Issues "Issues" isn't very specific. Paxson wanted FCC approval on a deal to transfer ownership of a public TV station to a Christian broadcaster and then have that broadcaster sell its old station to Paxson.

16. Specific lobbying issues
Media ownership crossownership of broadcast, cable, newspaper and radio
Duopoly "Duopoly" refers to the FCC's rules on owning more than one TV station in a local market.

The new ethics law doesn't improve disclosure in these areas.

17. House(s) of Congress and Federal agencies contacted Check if None
House of Representatives
Senate
Federal Communications Commission

Did Iseman meet with McCain before the senator wrote letters to the FCC? McCain says no, but Paxson says he -- and "probably" Iseman -- did meet with the senator. Without any specifics, lobbying reports like this offer few clues. (By contrast, lobbyists for foreign countries file different forms where they list the legislators they contacted.)

18. Name of each individual who acted as a lobbyist in this issue area

Name	Covered Official Position (if applicable)	New
<u>Alcalde, Hector</u>		<input type="checkbox"/>
<u>Iseman, Vicki</u>		<input type="checkbox"/>
<u>Davenport, Jim</u>		<input checked="" type="checkbox"/>
<u>Stroud, Tim</u>		<input checked="" type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>
		<input type="checkbox"/>

The new ethics law makes lobbyists disclose whether they served as a government official in the last 20 years, instead of the last 2 years.

What did Iseman do specifically? On these forms, there's no need to disclose that.

19. Interest of each foreign entity in the specific issues listed on line 16 above Check if None

Signature: [Signature] Date: 2/14/00
Printed Name and Title: Vicki Iseman - Partner

Registrant Name Alcalde, Fay Client Name PAXSON Communications Corp.

Information Update Page - Complete ONLY where registration information has changed.

- 20. Client new address

- 21. Client new principal place of business (if different from line 20)
City _____ State/Zip (or Country) _____

- 22. New general description of client's business or activities

Did Iseman give McCain campaign contributions at the time? The answer is no, but you don't find that information here. Under the new law, lobbyists will have to disclose their donations on a separate form. And, pending new regulations, campaigns will have to disclose whether lobbyists raised money for them, in a practice known as "bundling."

LOBBYIST UPDATE

23. Name of each previously reported individual who is no longer expected to act as a lobbyist for the client

Kirby, David
Manz, Molly

No more handwriting. Starting 2008, all lobbyists must file these reports electronically.

ISSUE UPDATE

24. General lobbying issues previously reported that no longer pertain

AFFILIATED ORGANIZATIONS

25. Add the following affiliated organization(s)

Name

The new ethics bill attempts to shed light on lobbying by "stealth coalitions," which operate under names that obscure the true source of the lobbying effort. A controversial provision of the bill would require disclosure of every "affiliated entity" that contributes \$5,000 to the lobbying effort and participates in the planning and control of the effort.

26. Name of each previously reported organization that is no longer affiliated with the registrant or client

FOREIGN ENTITIES

27. Add the following foreign entities

Name	Address	Principal place of business (city and state or country)	Amount of contribution for lobbying activities	Ownership percentage in client

28. Name of each previously reported foreign entity that no longer owns, or controls, or is affiliated with the registrant, client or affiliated organization

Signature  Date 2/14/00

Printed Name and Title Vicki Iseman - Partner