

A TREASURE ISLAND FOR LOBBYISTS

By W. JOHN MOORE

By their own accounts, lobbyists with the Alexandria, Va., firm of Smith Fairfield Inc. recently did everything but uncork a magnum of Dom Perignon. The cause for celebration: The firm helped its client, Puerto Rico First, stall legislation that would allow Puerto Rico to hold a plebiscite on the political status of the island commonwealth. The bill is "terminally derailed," gloated Robert G. dePosada, a principal in the firm.

Jennifer Smith, the firm's president, also struck a triumphant note. "When we signed on in early July to oppose [the legislation], it was an uphill battle," she said. "Today, support for the bill has collapsed, and if it reaches the House floor in 1998, it is unlikely to pass."

Not everyone agrees. "These people are out of touch with reality," snapped T.E. Manase Mansur, an aide to House Resources Committee chairman Don Young, R-Alaska, who introduced the plebiscite measure. "It sounds like they are trying to substantiate their fees."

Such talk has become commonplace in a nasty war of words in Washington and San Juan. After all, the Speaker of the Puerto Rican House, Edison Mislá Aldarondo, has labeled dePosada "an enemy of the Puerto Rican people." He responded by saying Mislá sounded "like the leader of a fascist regime." Washington lobbyists and congressional aides tussled over the accuracy and fairness of anti-plebiscite advertisements that Smith Fairfield ran in several Capitol Hill publications. (The government has run ads in *National Journal* promoting the success of Puerto Rico).

All of this hoopla is over legislation whose only enemy months ago appeared to be ennui. The United States-Puerto Rico Political Status Act has bipartisan support. In fact, it is one of the few bills endorsed by both Speaker Newt Gingrich, R-Ga., and Minority Leader Richard A. Gephardt, D-Mo. Back in May, it passed the Resources Committee 44-1.

Under the bill, Puerto Rico would hold a plebiscite by Dec. 31, 1998. Islanders could choose between statehood, independence or commonwealth status. If voters stuck with the status quo, Puerto Rico would hold other plebiscites. If they voted for statehood or independence, President Clinton would submit a 10-year transition plan to Congress. If Congress approved it, Puerto Ricans would then vote on the measure.

Puerto Rican backers of the plebiscite legislation have spent millions of dollars hiring K Street talent. Former White House deputy chief of staff Harold M. Ickes advises the governor of Puerto Rico. So has Republican pollster Frank Luntz. The Puerto Rico Federal Affairs Administration relies on Liz Robbins Associates. House Speaker Mislá has hired Michael A. Tongour, a partner at the firm of Tongour & Scott.

Business and other private groups on the island that support a plebiscite have hired firms to lobby in support of the Young bill. In the first half of 1996, the MWW Group was paid \$140,000 by Puerto Ricans in Civic Action. Akin, Gump, Strauss, Hauer & Feld in Washington represents the Educational Foundation for Citizenship and Statehood Project. Jack Abramoff and Bill Jarrell, a former deputy chief of staff to House Whip Tom D. DeLay, R-Texas, represent the Future of Puerto Rico Inc. Both are with the Washington office of Preston Gates Ellis & Rouvelas Meeds, a Seattle-based law firm.

But the biggest winner in the Puerto Rico sweepstakes is probably the Washington law firm of Verner, Liipfert, Bernhard, McPherson and Hand. Over the last 18 months, the firm has billed the Puerto Rico Development Administration \$1.3 million for work on numerous issues, including the Young bill.

Supporters of commonwealth status also brought in hired guns besides Smith Fairfield. The Popular Democratic Party, the opposition in Puerto Rico, and Impulso 2000 have hired the lobbying firm of Black, Kelly, Scruggs & Healey.

On Capitol Hill, aides say the battle is just warming up. But such warnings don't bother Smith Fairfield executives. They maintain they outsmarted and outthrustled their opponents. "We stuck to the message throughout the process," dePosada said. The \$60,000 worth of ads in *Roll Call* and *The Hill* sliced through the plebiscite rhetoric and raised the issues involved in making Puerto Rico the 51st state, he added. "We asked why Congress wasn't debating the real issues of statehood."

The ads may have worked, lobbyists on the other side acknowledged. "Their objective is to delay, delay and delay," said Verner, Liipfert partner John A. Merrigan.

But the ads worked only because they were misleading, these lobbyists contend. "They cited outdated and inaccurate information," about the cost of Puerto Rico eventually become a state, Mansur said. The tough ads say the Young bill would "bust the federal budget agreement." Critics are unhappy with the small print in the ads that say only 20 per cent of the islanders "speak English fluently" and that Puerto Rico's per capita income is less than half that of Mississippi.

"The ads test the intelligence of the Members of Congress and that will come back to bite Smith Fairfield," promised Bob Sommer, an MWW Group executive vice president.

He also warned about the dangers of overconfidence. "If they're already popping the champagne, they must be Red Sox fans, who were already celebrating before Mookie Wilson hit that ground ball to Bill Buckner." As baseball fans know, the ball went through his legs and the New York Mets won the 1986 World Series. ■

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