

# Groups competing for Hogan's attention

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**W**ith Maryland's long campaign for governor now over, the unexpected election of Republican businessman Larry Hogan has given rise to an intense new campaign now just beginning: the jockeying among advocates and interest groups for attention, jobs and influence in a rare GOP administration.

Time is of the essence: Hogan's transition team has less than three months to analyze complex state bureaucracies, identify and evaluate candidates for dozens of top jobs, write two agenda-setting public speeches and craft budget legislation that must be submitted two days after his inauguration Jan. 21.

The stakes — and the tight schedule — are provoking a scramble among individuals and groups representing every interest and coming from every corner of the state looking to snag a seat at the transition table.

"A new administration comes into a crazy situation," said Nelson J. Sabatini, who served on the 2002 transition team of Gov. Robert L. Ehrlich Jr. and later in his Cabinet. "This is the first opportunity for third-party groups to bring their issues to the table and start putting pressure on a new administration for their needs."

Hogan, only the second Republican to be elected governor of Maryland since the 1960s, will work with Democratic Gov. Martin O'Malley and his staff — most of whom will soon be out of jobs — in hopes of a smooth handoff of the \$40 billion operation that is the state government.

The arrival of a GOP administration has brought glee to business and conservative groups, which seized on Hogan's campaign message of reducing taxes and improving conditions for commerce.

But the unusual transition between parties is cause for anxiety among groups focused on education, health care, the environment and labor, who were counting on some continuity between O'Malley and Lt. Gov. Anthony G. Brown, whom they expected to succeed him.

Hogan has promised to work toward bipartisan cooperation. But because he has never held elected office, he has no record to indicate his policy priorities and has no obvious roster of candidates he'd pick to run the massive state offices that affect all Marylanders.

Hogan did serve as Ehrlich's appointments secretary. One of the first concerns of interest groups will be to influence the choices Hogan makes for key positions in his own administration.

"People are interested in seeking to impact the policy," said Ralph S. Tyler, who led the day-to-day operations of O'Malley's transition team in 2006 and went on to serve as his top legal adviser. "They're also interested in influencing who gets appointed."

Neither Hogan nor his representatives would comment for this article.

To oversee the transition, the governor-elect has tapped Boyd Rutherford, his running mate, and Jim Brady, the

Baltimore businessman who ran transitions for Ehrlich and Gov. Parris N. Glendening.

Hogan campaign manager Steve Crim is another key member of the team. The group has been set up in offices at the Department of Natural Resources in Annapolis. Crim met Friday with O'Malley chief of staff John Griffin for a preliminary meeting.

Also expected to work on the transition is David Craig, the outgoing Harford County executive. Craig, who lost to Hogan in the Republican gubernatorial primary, said he was told he would serve on the team but was still awaiting instructions.

"I'll be willing and able to do whatever [Hogan] wants," Craig said.

The top Republicans in the General Assembly — House Minority Leader Nic Kipke and Senate Minority Whip Joseph M. Getty — appear to be serving as gatekeepers to the transition team.

Getty, of Carroll County, has been keeping a journal of the phone calls, requests for policy changes and suggestions on potential appointments that have poured in since Tuesday evening. So far, he said, he's up to 56 entries, plus more emails than he can read.

It isn't only Republicans who get in touch. Getty, who worked on Ehrlich's transition team, said he was startled then by the number of liberal groups who said they'd been shut out by the Glendening administration.

"People felt like they weren't being heard," he said. "Some of what you would think would be some of the core constituencies of the Democratic administration said they weren't being heard."

This time around, Getty said, he is hearing similar complaints from business groups whose donations fueled Democratic campaigns over the past eight years.

"Then, in turn, they get hit by the increased taxes and increased regulation," he said.

Kipke, of Anne Arundel County, has also seen individuals and groups jostle for influence with newly powerful Republicans.

"Our position is a lot more relevant," he said. "Even today, Democrats — prominent power players — have been asking me for help with things that they'd like to get on the governor's plate."

Kipke, who texts with Hogan, doesn't have a formal role with the transition team but said he's relaying those requests. He said Hogan is still gathering an inner circle and writing an agenda for his first year in office.

"There's one guiding principle you can count on," he said: "A more efficient government that taxes less."

With a net gain of nine GOP seats in the General Assembly, Kipke said he is optimistic that Republicans will be able to help Hogan secure a budget that "will grow by a smaller amount."

"That alone," he added, "creates a lot of certainty that taxes won't be raised."

State spending grew by an average of 5.4 percent per year during O'Malley's second term. During his first term, as Maryland and the nation grappled with the recession, spending increased by an average of 2.2 percent annually.

Writing the budget is one of the most complicated tasks confronting a transition team. Hogan will have just weeks to take the budget currently being drafted by O'Malley and make it his own.

"There's an incredible amount of work that has to happen," said former O'Malley chief of staff Matthew Gallagher, who led the budget transition team in 2006.

Gallagher said the state's budget office is essential in providing incoming administrations with a full understanding of all state spending. Still, transforming a spending plan by a Democrat whose policies Hogan sharply criticized into one that appeals to conservatives will not be easy.

"Without having any Cabinet secretaries or budget analysts, it's almost an impossible task," said Bob Flanagan, who handled budget issues for Ehrlich's 2002 transition.

Flanagan, who won an election to the House of Delegates from Howard County on Tuesday, described the behind-the-scenes machinations of gubernatorial transitions as just short of chaotic.

"It's a very frantic situation," he said. "You've got a small handful of people in a small office, and you've got hundreds of people who are trying to get in touch and trying to put very important input into the running of the state government."

Brien Poffenberger, chief executive of the Maryland Chamber of Commerce, said his group hopes to work with Hogan's transition team to develop priorities on regulations and the budget.

Figuring out who will serve on the transition is the talk of state politics.

"We're not going to be so presumptuous to tell the governor-elect who those people are, who fills those chairs," Poffenberger said. "That's a conversation that everyone in Annapolis is having right now, who the players are."

Some business leaders said they were still recovering from the shock of a Hogan victory but that it is clear that taxes and business issues will be a priority.

"I fully expect that he will put forth a budget that significantly starts to reduce the spending level and gets our budget under a little bit better control," said Duane Carey, president of Maryland Business for Responsive Government.

Greater Baltimore Committee chief executive Donald Fry, who served on O'Malley's transition team in 2006, said business groups will be watching Hogan carefully to see if he alters budget items for two major public transit projects: the Red Line in Baltimore and the Purple Line in the Washington suburbs.

Fry said it will be the job of business leaders in both regions to explain to Hogan that the rail projects will spur economic development.

"There's a lot of expectation that there is going to be a lot of opportunity to be at the table," Fry said. "Business is always looking to be represented."

Transition teams vary in their staffing and approaches. O'Malley's allowed hundreds of volunteers to work on one of 22 groups that examined nearly every aspect of state government. Ehrlich put together a much smaller team.

The process might start as a cordial, professional affair. But glad-handing cooperation can give way to political backstabbing.

After O'Malley's inauguration in 2007, his transition team released more than 1,000 pages of reports that characterized many of Ehrlich's agencies as deeply troubled. After Ehrlich took office, Hogan was accused of using his job to fire state workers aligned with Democrats — allegations Republicans say were fueled by politics,

and went nowhere.

Few expect a repeat of that chapter. But what to expect is precisely the question for many groups.

Environmental organizations want in on the transition to get an understanding on Hogan's positions, particularly on the natural gas extraction method known as fracking.

"The tone he's setting about bipartisanship seems to be a good tone, and so we're hoping he has a variety of stakeholders at the table," said Karla Raettig, executive director of the Maryland League of Conservation Voters. "He needs to hear from all sides."

Kim Coble, a vice president with the Chesapeake Bay Foundation, served on O'Malley's team in 2006. She said she hopes Hogan includes the nonprofit in its planning. She said environmental groups know only that Hogan opposes the stormwater fee charged to property owners to help fund bay cleanup efforts.

"Beyond that, we're not sure what his positions will be," she said. "We would have a lot to offer the transition."

A group that often finds itself on the opposite side of issues from environmental groups, the Maryland Farm Bureau, wants to help Hogan pick a new secretary of agriculture.

"Farmers were starting to feel boxed in," said Valerie T. Connelly, the bureau's executive director. "Our members felt it was bay cleanup efforts at all costs [under O'Malley] without any consideration to the economic impact on agriculture."

Connelly said her group wants what she described as a more balanced review of environmental policies. She said most of her members probably felt a sense of relief at the election's outcome.

"We want to work with him and his staff to make sure they're considering the right people," she said. "It's important that the governor has [people] who have an understanding of agriculture."

Labor leaders also are looking to meet with Hogan.

Glenard Middleton, president of Maryland Public Employees Local 44, said Ehrlich did not engage with organized labor. He hopes Hogan takes a different approach, especially if his administration is going to consider privatizing — "outsourcing," as Middleton says — prison operations.

"We will take the first step and reach out to him," said Middleton, whose local union represent Baltimore jail workers. "We're waiting and seeing."

Patrick Moran, president of AFSCME Maryland Local 3, which represents state and higher education employees, said he is also trying to set up a meeting with Hogan.

Teachers are being a bit more aggressive. The Maryland State Education Association, the state's largest teachers union, outlined its priorities in a letter to Hogan sent just hours after the polls closed on Tuesday.

Sean Johnson, political and legislative director for the group, said it sent the letter to open a dialogue with Hogan — the group endorsed Brown in the election — and to lay out its concerns about the Common Core curriculum, teacher evaluations and school funding.

The teachers union is particularly concerned about Hogan's campaign promises to cut the state's budget. Though some state education funding is set by statute, several organizations said they're concerned about an ax falling on other programs.

"We're hopeful that budget cuts don't come out of the classroom," Johnson said.

Another major issue is health care. Hogan's transition is unfolding just as the state's health care exchange begins its second open enrollment period. The first enrollment period last year was a disaster that Hogan used to criticize Brown — the official O'Malley appointed to oversee the implementation of the new health care law.

The Department of Health and Mental Hygiene is one of the state's largest and most complicated agencies. Health Secretary Dr. Joshua Sharfstein is leaving the position at the end of O'Malley's term, and it is not clear whom Hogan might pick to succeed him.

"I don't have any idea what they're thinking of for health secretary," said Sabatini, who was health secretary for Ehrlich and William Donald Schaefer and who supported Hogan. "It's an agency that impacts the lives of everyone who lives in Maryland."

He said the competition to join the transition team will be most intense for health.

"There are more advocacy groups that are interested in or have a stake in the programs that the health department administers than any other department in the government," Sabatini said. And they'll all be trying "to make sure that their issues are understood and get attention."

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