

K Street's Republicans hope for uptick in business

By: **Anna Palmer**

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Senate Republican lobbyists have spent eight years on the K Street sidelines, watching their Democratic colleagues dominate because Harry Reid controlled the agenda.

Now they're looking to cash in.

GOP lobbyists and consultants are strategizing about landing new business and looking forward to advising clients if Republicans take control of the Senate — setting off rapid change in the political dynamics of Capitol Hill.

Several lobbyists said they expect a bump in business in the first half of 2015 when companies look to recalibrate their outside rosters to engage more heavily with Senate Republicans.

“There will be a burst of excitement and activity as a result of that change,” said former Senate Majority Leader Trent Lott (R-Miss.), who now heads Squire Patton Boggs' lobbying operation. “There is a lot of pent-up demand in the tax area, infrastructure, immigration, the budget and tax policy.”

Lott said he thinks it will be a shot in the arm to K Street with a much busier legislative agenda.

“There is going to be scrambling on K Street. ... There might be some shifting around to more bipartisan or even Republican firms as a result of the change,” Lott said.

It won't just be GOP-heavy firms that could take advantage of the gavel change.

“No matter what firm you are with, the business environment and the environment for business will be better because Fortune 1000 companies and small businesses alike might finally feel like there is a way to finally accomplish a few pro-business matters,” said one veteran Republican lobbyist.

GOP staffers and lobbyists have already been working behind the scenes to game out how they'll approach putting together a budget and how the budget reconciliation process would work. Those efforts will be complicated by funding cliffs in the spring that the Congress will also have to deal with at the same time.

Senate Republican leadership's promise to return the chamber to “regular order” would also create a lot of activity with bills going through committees and more amendments being

considered.

“From my perspective, everybody both on the Hill and off the Hill are going to be working a whole lot harder with Leader McConnell and the Senate returning to regular order,” said Hazen Marshall, a lobbyist at the Republican firm the Nickles Group. “People are going to be working late. It’s going to be a brand-new world for staff on the Hill who haven’t gone through that in a long time.”

Those shifts are likely to boost the lobbying industry’s revenues, which have been fairly flat over the past several years.

BGR Group’s Loren Monroe predicted that big-ticket legislation like a transportation bill will increase the importance of coalition building, especially as committees become more relevant.

“Assuming the GOP is in the Senate majority next year, there will be a huge increase in traditional legislative activities — such as hearings, markups, oversight and floor amendments,” Monroe said. “Coalitions will be necessary to be able to cover all the moving parts and to support passage of the backlog of major legislative items. Those coalitions are much more likely to be led by Republicans or Republican-leaning firms.”

It also will very likely increase the talent demand for staffers and K-Streeters who have ties to Republican leadership and key committees like the Senate Finance Committee.

“It is going to be just what the doctor ordered,” said Ivan Adler, a headhunter at the McCormick Group. “If the Senate switches, it is going to be fabulous for lobbying in general. Change is great for lobbying. Whenever there is uncertainty, people need them to tell them what’s happening in Washington.”

While most lobbying firms have gone bipartisan over the past decade, there are still a few GOP-only and Republican-leaning shops that are particularly poised to take advantage of a Republican-led Congress.

Several lobbyists pointed to midsized Republican firms like the Nickles Group, headed by former GOP Sen. Don Nickles of Oklahoma, and Fierce, Isakowitz & Blalock as shops to watch. GOP-heavy Crossroads Strategies founded by veteran lobbyists G. Stewart Hall and John Green is also likely to be a winner in the client shuffle if Republicans take the majority.

Other, smaller GOP firms like the Lugar Hellmann Group, Whitmer & Worrall and the S3 Group are also expected to see an uptick in business.

Downtowners with ties to McConnell are also expected to be a hot commodity. The Kentucky senator has a slew of former staffers who have gone through the revolving door, including former chiefs of staff Kyle Simmons at the Simmons and Russell Group, and Hunter Bates of Republic Consulting.

Not everybody is bullish, though, that a Republican Senate will produce a big spike in business.

“My view is it doesn’t have a huge impact,” said Dan Meyer of the Duberstein Group. “It’s a different team setting the agenda. There’s a different emphasis in terms of what gets considered, who is controlling committees, what hearings are called, but unlike the House, the minority matters in the Senate in trying to move or stop legislation.”

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