



National Republican Senatorial Committee
Research Department

THE JOHN NEELY KENNEDY RECORD



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I. John N. Kennedy Supports John Kerry And Opposes President Bush

Kennedy Endorsed John Kerry

- **Kennedy Endorsed John Kerry At A Kerry Campaign Event.** “A crowd of around 2,000 gathered at a Mississippi River bank park here Friday for a campaign appearance by Democratic presidential candidate John Kerry. The Massachusetts senator was late for the afternoon campaign speech but the crowd was kept entertained by a band and speeches from state Democratic officials. Those on hand included Congressman William Jefferson of New Orleans, former congresswoman and ambassador Lindy Boggs, Lt. Gov. Mitch Landrieu and Senate president Don Hines. State treasurer John Kennedy also was there and added his name to the list of state Democrats endorsing Kerry.” (“Kerry Heads For Louisiana,” *The Associated Press*, March 5, 2004)
- **Earlier Kennedy Was Looking To Endorse Any Democratic Presidential Candidate.** “‘I will support the nominee of the Democratic Party’ in the presidential election, Kennedy said.” (John LaPlante, “Senate Hopeful Vows To Get Tax Aid,” *The [Baton Rouge] Advocate*, February 17, 2004)
- **Kennedy Embraces The Party Of Kerry.** “‘I am not going to be afraid to be a Democrat in this race,’ Kennedy said.” (Chris Cillizza, “Roemer’s Mullings Scare La. Democrats,” *Roll Call*, April 12, 2004)
- **Early On, Kennedy Clashed With Bush Supporters.** “Of the four who addressed a group of real estate agents Tuesday in the basement of the State Capitol - State Treasurer John Kennedy, U.S. Reps. Chris John and David Vitter, and State Rep. Arthur Morrell - it was Democrat Kennedy and Republican Vitter who clashed most directly, with Vitter lining up behind President Bush, and Kennedy distancing himself.” (Adam Nossiter, “U.S. Senate Candidates Meet, Offer Early View Of Clashing Styles,” *The Associated Press*, April 6, 2004)

Kennedy Supports The Jobs Plan As John Kerry

- **Kennedy And Kerry Have Both Proposed Jobs Tax Credits.** “U.S. Sen. John Kerry, D-Mass., the likely Democratic nominee for president, has proposed a jobs tax credit in his economic policy program. In Louisiana, state Treasurer John N. Kennedy also has proposed a jobs tax credit as a national policy. Kennedy is running for the U.S. Senate.” (“Job Tax Credit Hard To Justify,” *The [Baton Rouge] Advocate*, April 2, 2004)
- **Kennedy And Kerry’s Plan Was Once Jimmy Carter’s Plan.** “However, the idea has been tried before at a national level, in the administration of President Carter in the late 1970s. Bruce Bartlett of a conservative think tank, the National Center for Policy Analysis, recently outlined that experience in a column for National Review. The General Accounting Office, the legislative auditor at the national level, studied the Carter administration program in 1981. The GAO found serious difficulties in identifying ‘new’ jobs eligible for the credit.” (“Job Tax Credit Hard To Justify,” *The [Baton Rouge] Advocate*, April 2, 2004)

- **A Clinton Administration Study Found The Jobs Tax Credit To Be Ineffective.** “In the Clinton administration, the Labor Department’s inspector general found the jobs tax credit ‘was not an effective means of helping target group members find employment.’ The 1994 report from Labor said tax credits ‘did not induce employers to hire members of target groups they might not otherwise have offered jobs.’ The program ‘largely subsidizes the wages of those who are hired irrespective of their eligibility and the availability of the tax credit.’ The Labor Department study concluded 92 percent of those workers for whom the tax credit was claimed would have been hired anyway, and that the program cost threefold what it returned in benefits.” (“Job Tax Credit Hard To Justify,” *The [Baton Rouge] Advocate*, April 2, 2004)
- **The Editorial Page Of The Baton Rouge Advocate Panned The Kennedy-Kerry Plan.** “With this experience, and with the studies cited by Bartlett about previous efforts to use tax credits to spur job creation, we don’t believe Kerry or Kennedy has come up with a persuasive case that the credits won’t just be claimed as a subsidy for hiring that companies would do on their own anyway.” (“Job Tax Credit Hard To Justify,” *The [Baton Rouge] Advocate*, April 2, 2004)

Just Like Kerry, Kennedy Supports Filibustering Judicial Nominees

- **Kennedy Would Keep Judges From Getting An Up Or Down Vote.** “The Democrats -- U.S. Rep. Chris John, D-Crowley; state Treasurer John Kennedy; and state Rep. Arthur Morrell, D-New Orleans -- said they were opposed to using taxpayer money to let public school students attend private schools, and defended the use of the filibuster in the U.S. Senate to keep certain federal judicial nominees from getting a vote.” (Bill Walsh, “4 Senate Rivals Duke It Out In Debate,” *The Times-Picayune*, August 12, 2004)

Like Kerry, Kennedy Criticized President Bush

- **Kennedy Called The President’s Policies “Cold And Mean.”** “Kennedy sketched out an agenda that includes a call for an income-tax exemption for the first \$10,000 in wages earned in tips, an appeal to Louisiana’s large service industry, and said he would push to roll back Bush administration rules limiting overtime pay, policies he called ‘cold and mean.’” (Bill Walsh, “Vitter Gets A Little Big Apple Backing,” *The Times-Picayune*, July 14, 2004)
- **Kennedy Opposes The President’s Immigration Plan.** “Kennedy, for his part, blasted the [proposed Bush] immigration policy, saying it would cost jobs and ramp up the terrorist threat. John boasted about his ‘willingness to stand up to two Presidents;’ and Morrell sharply criticized Bush’s foreign policy.” (Adam Nossiter, “U.S. Senate Candidates Meet, Offer Early View Of Clashing Styles,” *The Associated Press*, April 6, 2004)
- **Kennedy Attacked the Bush Tax Cuts.** “Attacking Bush. Kennedy took the most populist approach by sharply criticizing the Bush administration’s record on job creation and challenged Vitter’s support of the president’s tax cuts. ‘I don’t think millionaires are the backbone of the American economy,’ Kennedy said. ‘I think the backbone of the American economy are middle-class people.’” (Jan Moller, “U.S. Senate Hopefuls Trade Partisan Potshots At Forum,” *The Times-Picayune*, April 7, 2004)

- **Kennedy Hedges On Whether The Bush Tax Cuts Are Affordable.** “On other issues, Kennedy said he supports the Iraq war, though he ‘would have preferred to have gone in with other countries,’ as well as the Bush tax cuts, including the inheritance tax, though here again he sounded a note of caution, wondering ‘if we can afford them.’” (“Kennedy Fires Early Shots In Senate Race,” *The Associated Press*, February 16, 2004)

II. John Kennedy Is Not The First Choice Of The Democrats

Prominent Louisiana Democrats Endorsed Chris John Over Kennedy

- **Senator John Breaux Endorsed Chris John.** “The worst-kept secret in Louisiana politics became official Saturday when Sen. John Breaux, D-La., endorsed Rep. Chris John, D-Crowley, in the crowded race to succeed Breaux in the U.S. Senate.” (“It’s Official: Breaux Backs John,” *The Times-Picayune*, June 20, 2004)
- **Kennedy Tried To Dismiss Breaux’s Endorsement Of Chris John.** “Kennedy, the only Democrat in the race who has been elected to a statewide office, said he was not surprised by the endorsement because Breaux and John both hail from Crowley and are known to be good friends.” (“It’s Official: Breaux Backs John,” *The Times-Picayune*, June 20, 2004)
- **Kennedy Was Passed Over By Prominent State Democrats.** “At Saturday’s event, John also got the support of Lt. Gov. Mitch Landrieu, Agriculture Commissioner Bob Odom, Insurance Commissioner Robert Wooley and U.S. Rep. Rodney Alexander, D-Quitman.” (“John Receives Endorsements From Top Democrats,” *The Associated Press*, June 19, 2004)
- **Kennedy Tried To Dismiss John’s Endorsements.** “Kennedy told WAFB-TV that he believes he can be successful running as the outsider in the race, as the politician who does not need endorsements from insiders.” (“John Receives Endorsements From Top Democrats,” *The Associated Press*, June 19, 2004)

National Democrats Choose Chris John Over Kennedy

- **National Democrats Had To Pick One And It Wasn’t Kennedy.** “U.S. Sen. John Corzine of New Jersey, the chairman of the Democratic Senatorial Campaign Committee, last week declared that multiple Democratic candidates in Louisiana are unacceptable. ‘We will do everything we can to make sure there is only one candidate,’ said his spokeswoman, adding, ‘Sen. Corzine has sent the message loud and clear.’” (John Maginnis, “For Dems, No Monopoly On Ambition,” *The Times-Picayune*, January 21, 2004)
- **The DSCC So Doubted Kennedy’s Chances They Endorsed Chris John.** “Playing their trump card in the Louisiana Senate race, leaders of the Democratic Senatorial Campaign Committee publicly backed Rep. Chris John (D) late last week even as state Treasurer John Kennedy (D) continued to assert he would remain in the contest. ‘We are behind Chris John,’

said DSCC Communications Director Brad Woodhouse. ‘We think he has the critical mix of experience, ideas and the ability to connect with voters of all political stripes that will be critical to winning the Senate election in Louisiana.’” (Chris Cillizza, “DSCC Gets Tough; Committee Backs John In Effort To Chase Kennedy From La. Race,” *Roll Call*, July 6, 2004)

- **Picking Candidates Is NOT The Norm For The DSCC – Are Kennedy’s Chances That Bad?** “From Washington, the Democratic Senatorial Campaign Committee, which normally stays out of in-party primary fights, started actively promoting John’s candidacy, prompting Kennedy to cry foul. Not that Kennedy seems to mind the role of troublemaker. He’s fond of pointing out that endorsements don’t vote, and that many voters find outsiders appealing. He certainly thinks he came out just fine during the recent legislative session, when he vocally opposed a proposed pay raise for statewide elected officials, a move that reportedly infuriated some of his fellow politicians.” (Stephanie Grace, “Candidate Strives For Respect -- And Votes,” *The Times-Picayune*, July 13, 2004)
- **Prominent Louisiana & National Democrats Actively Fundraised Against Kennedy.** “DSCC Chairman Jon Corzine (N.J.), Minority Whip Harry Reid (Nev.) and Breaux held a fundraising event for Louisiana Senate 2004, a joint fundraising committee for John and the DSCC on May 22 in New Orleans. . . . The past three months have seen a decided effort by John, Breaux and other establishment Democrats to dry up Kennedy’s fundraising, especially in Washington.” (Chris Cillizza, “DSCC Gets Tough; Committee Backs John in Effort to Chase Kennedy From La. Race,” *Roll Call*, July 6, 2004)
- **Kennedy Acknowledged National Democrats’ Disdain For Him.** “‘I’m from Louisiana. I’m not from Washington. The Washington insiders don’t like me,’ Kennedy, D-Madisonville, said trying to separate himself from two of his competitors for the Senate seat: Congressmen David Vitter, R-Metairie, and Chris John, D-Crowley.” (“Kennedy Calls Himself An ‘Outsider’; Vitter Travels With Giuliani,” *The Associated Press*, July 13, 2004)
- **Kennedy Decries Washington Democrats Interference.** “State Treasurer John Kennedy is crying foul at the obvious preference that the Democratic Senatorial Campaign Committee is showing to Rep. Chris John in Louisiana’s U.S. Senate race. Committee leaders have made no secret that the organization considers John the party’s best shot at winning the seat being vacated by John Breaux, and last week the organization scheduled a news conference for John and two other Democratic candidates to highlight their support for drilling in the Arctic National Wildlife Refuge in Alaska. It’s a position that Kennedy shares, but he wasn’t invited to the news conference. ‘Two years ago Washington Republican leaders thought they could name the next Louisiana senator and they failed, and now two years later Washington Democratic leaders are doing the same and they’ll fail, too,’ Kennedy said.” (Bruce Alpert and Bill Walsh, “On The Hill,” *The Times-Picayune*, July 11, 2004)
- **Breaux Conspicuously Snubbed Kennedy At The Democratic National Convention.** “Left out. Sen. John Breaux, D-La., whose retirement after three terms has set up the contentious race to replace him, is backing John. The senator caused a stir Wednesday when, during an appearance before Louisiana convention delegates, he praised Louisiana’s statewide elected officials and named all of them except Kennedy. Kennedy said it must have been an oversight.” (Bruce Alpert, “Senate Hopefuls’ Absence Criticized,” *The Times-Picayune*, July 30, 2004)

III. Kennedy's Ineffective Political Career Demonstrates He Is Not Ready For Primetime

Kennedy's Bad Ideas, Shot-Down Suggestions, Ill Thought-Out Proposals, And Al Gore-Like Political Ambitions

COMPLETING I-49

- **Kennedy Suggested The State Divert Money From Other Projects To Complete I-49.**
“State Treasurer John Kennedy said Wednesday the state should consider diverting money for a new Mississippi River bridge at St. Francisville to finish Interstate 49 north of Shreveport.” (Will Sentell, “Suggestion To Divert Bridge Funds Draws Protests,” *The [Baton Rouge] Advocate*, September 12, 2002)
- **Kennedy's States Reasons To Divert Money From The Bridge:**
 - **The Bridge Was A Low Priority.** “Kennedy said that, since the bridge is a relatively low priority in state building plans, officials should consider diverting some of that money to speed construction of I-49 from Shreveport to the Arkansas state line. That span covers about 35 miles and will cost about \$360 million.” (Will Sentell, “Suggestion To Divert Bridge Funds Draws Protests,” *The [Baton Rouge] Advocate*, September 12, 2002)
 - **Any Further Delay Would Hurt The New Orleans Port.** “‘It is not a northwest Louisiana project,’ Kennedy said. ‘It is a Louisiana project. It is going to create an international, north-south trade corridor going through the middle of the state.’ Unless the state acts fast, he said, Arkansas will bypass Louisiana and link its revamped highway to roads in Texas. ‘You know who would be hurt the most? The New Orleans port,’ Kennedy said.” (Will Sentell, “Suggestion To Divert Bridge Funds Draws Protests,” *The [Baton Rouge] Advocate*, September 12, 2002)
 - **There Would Not Be A Lengthy Delay In Building The Bridge.** “The treasurer said he does not think his plan would trigger lengthy delays on bridge construction. ‘It doesn’t mean the bridge won’t be built,’ Kennedy said. ‘All I am saying is in a world of scarce resources where you don’t have unlimited funds you have to sit down and talk about all our options and none of them are perfect,’ he said.” (Will Sentell, “Suggestion To Divert Bridge Funds Draws Protests,” *The [Baton Rouge] Advocate*, September 12, 2002)

Kennedy's I-49 Proposal Was Dismissed By Public Officials:

- **The State Transportation Secretary Said Kennedy's Suggestion Could Set The Bridge Project Back 20 to 30 Years.** “[Transportation Secretary Kam] Movassaghi said that, because of the pitfalls associated with revamping road and bridge projects voters approved in 1989, changes now could ‘set the whole thing back another 20 years, 30 years.’ The 16 projects that voters approved are part of a constitutional amendment. Any changes would require the approval of lawmakers and voters, and

open the possibility of other bids to add or kill highway projects.” (Will Sentell, “Suggestion To Divert Bridge Funds Draws Protests,” *The [Baton Rouge] Advocate*, September 12, 2002)

- **Transportation Committee Chairman Juba Diez: “It Is Not Going To Happen.”** “House and Senate leaders, state Transportation Secretary Kam Movassaghi and St. Francisville Mayor William D’Aquila criticized Kennedy’s suggestion. ‘It is not going to happen,’ said House Transportation Committee Chairman Juba Diez, D-Gonzales. The bridge is one of 16 projects statewide that won voter approval in 1989. It is part of a \$2.3 billion road-and-bridge-building package financed with 4 cents of the state’s 20-cents-a-gallon gasoline tax.” (Will Sentell, “Suggestion To Divert Bridge Funds Draws Protests,” *The [Baton Rouge] Advocate*, September 12, 2002)
- **“A Nightmare.”** “‘If you start fooling with any of them it would be a nightmare,’ Diez said. Senate Transportation Committee Chairman Francis Heitmeier, D-New Orleans, also criticized Kennedy’s idea. Heitmeier said the bridge at St. Francisville and the other projects are ‘in stone.’ Sen. Kip Holden, D-Baton Rouge, said Kennedy’s suggestion would be a slap in the face at state highway planners and others.” (Will Sentell, “Suggestion To Divert Bridge Funds Draws Protests,” *The [Baton Rouge] Advocate*, September 12, 2002)
- **Kennedy’s Suggestion – “A Whim” That “Played One Part Of The State Against The Other.”** “‘You cannot begin to start switching projects off just based on somebody’s whim,’ said Holden, whose senatorial district includes St. Francisville. ‘The second thing is he (Kennedy) should not be playing one part of the state against the other.’ D’Aquila said his area has looked forward to a new bridge for years and believes it will be a huge economic boost. ‘You can’t divert any of that money,’ he said.” (Will Sentell, “Suggestion To Divert Bridge Funds Draws Protests,” *The [Baton Rouge] Advocate*, September 12, 2002)

PRESCRIPTION DRUGS 2000 & 2004

- **In 2000, Kennedy Suggested Pooling Louisiana’s Prescription Drug Needs To Lower Costs.** “Earlier this year, as state officials searched for ways to trim health-care spending, Kennedy suggested the state pool the prescription drug needs of state employees, the poor, the elderly and the uninsured to negotiate better prices from drug makers.” (Carl Redman, “John Kennedy Has Real Talent For Questions,” *Sunday [Baton Rouge] Advocate*, October 29, 2000)
- **Kennedy’s Trial Run At A Populist Platform.** “Kennedy said he raised the issue because other states are debating it, and he is offended as a taxpayer if the state doesn’t find ways to save money. And he said that the state treasurer ought to be concerned with the state’s financial situation. What is behind this targeted indignation? Part of it is that drug companies are not popular right now. The prices of prescription drugs have soared, and the politically influential seniors on Medicare - who don’t have drug coverage - have been paying premium prices compared with bulk purchasers such as the federal government.” (“State Drug Policy At The Treasury?,” *Morning [Baton Rouge] Advocate*, September 23, 2000)

- **Louisiana’s Health Officials Had Previously Ruled “Pooling” Out.** “State Treasurer John N. Kennedy, in a speech before the Baton Rouge Press Club, called for state lawmakers to look into bulk purchasing of prescription drugs for Medicaid and Medicare recipients and for uninsured citizens. The merits of the idea are debatable. State health officials said they’ve looked into it, and the problems with the idea prevent any real savings and expose the state to bigger costs down the road.” (“State Drug Policy At The Treasury?,” *Morning [Baton Rouge] Advocate*, September 23, 2000)
- **Kennedy’s Pooling Suggestion Would Obligate Louisiana To 600,000 More Patients.** “He [David Hood, secretary of the Department of Health and Hospitals] said if state financing is expanded to Medicare recipients, senior citizens who don’t have drug coverage would increase the state’s drug-buying responsibility by 600,000 patients a year. That could cost a whole lot of money. ‘Those are very expensive populations to take in,’ Hood said. (“State Drug Policy At The Treasury?,” *Morning [Baton Rouge] Advocate*, September 23, 2000)
- **Kennedy’s Proposal Would Put \$85 Million In Prescription Drug Rebates At Risk.** “Hood said the state receives about \$85 million a year in rebates from drug companies that do business with the Medicaid program. The rebates, he said, are part of an overall agreement the companies have with the federal government on behalf of the states. ‘Going outside of that agreement would jeopardize’ the rebates, Hood said.” (“State Drug Policy At The Treasury?” *Morning [Baton Rouge] Advocate*, September 23, 2000)
- **Kennedy Was Criticized For “Policy-Making Lite.”** “It is troubling that Kennedy, by his own admission, would appear to have made only the most cursory of efforts to consult with Hood about this issue. Kennedy said he had mentioned it in passing to Hood but had not had a chance to go into detail before issuing his clarion call at the Press Club. This is a wonderful example of policy-making lite, with the treasurer wandering far afield from his job in pursuit of an issue to call his own. Surely there are enough issues in the Department of the Treasury to keep him busy.” (“State Drug Policy At The Treasury?,” *Morning [Baton Rouge] Advocate*, September 23, 2000)

Four Years Later Kennedy Tries To Recycle His Once Dismissed Idea As A Part Of His Senate Campaign

- **Kennedy’s Prescription Drug Solution For His Senate Campaign.** “Amend the Medicare Prescription Drug Bill to allow the federal government to receive volume discounts for the purchase of pharmaceutical drugs, just like Wal-Mart, HMO’s, the Veterans Administration, the Department of Defense and state Medicaid programs do already.” (John Kennedy For Senate Website, www.johnkennedy.com/issues/healthcare/index.php, Accessed August 15, 2004)

TUITION OPPORTUNITY PROGRAM (TOPS)

- **Although Kennedy Has Praised The Benefits Students Receive From Louisiana’s TOPS Scholarship Program. . .** “Between the START program, which includes the state match, and the TOPS program, Louisiana has become a leader in this nation in terms of helping its kids go to college.” (John Hill, “Affordable Education,” *The [Shreveport, LA] Times*, March 31, 2002)

- **... Kennedy Has Criticized The TOPS Application Process, And Proposed A Computer Application.** “TOPS form criticized. State treasurer candidate John Kennedy last week devised an idea he said will help Louisiana students apply for scholarships under the new Tuition Opportunity Program for Students, or TOPS. But the chief of the state agency that runs TOPS wasn’t impressed. Kennedy suggested that the state come up with a new computerized application for students to fill out when they apply for college. But Jack Guinn, who leads the state student-aid office, said students can already apply electronically. Kennedy objected that the present electronic application is a federal form to determine financial need. TOPS, however, is not a need-based program and should not be tied to federal ones, Kennedy said. Guinn said the change would be too costly.” (“Briefing Book - News And Views From The Louisiana Capitol,” *The Times-Picayune*, August 22, 1999)
- **Kennedy’s Criticism Of TOPS Application Forms Is Not Shared By All.** “John Kennedy thinks he has an idea to improve the TOPS program, but the man who runs the program says the candidate for state treasurer is way off base. Kennedy, a Democrat running against incumbent state Treasurer Ken Duncan, suggested the state come up with a new computerized application system for students who want a TOPS scholarship. But Jack Guinn, head of the state student-aid office, said Kennedy’s idea would cost more and not really help students. ‘I don’t think we want to change a system that helps the vast majority of students in the state,’ said Guinn.” (Randy McClain, “Candidates Debate TOPS Procedures,” *The [Baton Rouge, Louisiana] Advocate*, August 18, 1999)
 - **Head Of Louisiana’s State Student Aid Office Argued That Kennedy’s Proposal Would Be An Unnecessary Cost For The State.** “Guinn said doing away with the federal aid form doesn’t make sense. ‘The system we use now is totally automated at federal expense, not at state expense. If we did as (Kennedy) has suggested, all the costs for automation, programming, maintenance and computer hardware would fall on the state,’ Guinn said. ‘It would be very expensive,’ he said.” (Randy McClain, “Candidates Debate TOPS Procedures,” *The [Baton Rouge, Louisiana] Advocate*, August 18, 1999)
 - **Kennedy’s Plan Defied Common Sense And Would Have Added An Extra Burden To The Financial Aid Process.** “But Guinn said most Louisiana college students qualify for some sort of federal aid, and the state law establishing TOPS requires students who are eligible to seek federal money as a way of reducing the scholarship burden on the state. ‘It just makes good sense to have a single application form (the federal one) that serves the vast majority of students,’ Guinn said.” (Randy McClain, “Candidates Debate TOPS Procedures,” *The [Baton Rouge, Louisiana] Advocate*, August 18, 1999)

Unclaimed Property Program

“Louisiana State Treasurer John Kennedy’s signature program to return unclaimed property to taxpayers is so riddled with lax procedures that the state has lost nearly \$37 million in potential revenues, a legislative auditor’s report says.” (“Report Criticizes Treasury Program To Return Property,” *The Associated Press*, April 12, 2004)

- **About Louisiana's Unclaimed Property Program.** "The first unclaimed property in Louisiana law was enacted in 1972. A revision to the National Uniform Unclaimed Property Act came into picture in 1981 following the 'Texas v. New Jersey' court case and some administrative problems. Under Title 9, Sections 151 through 181 of the Louisiana Revised Statutes, property is presumed abandoned when the company (holder) who has possession of property owed to another cannot locate the owner for a specified number of years (holding period). The rightful owner of Louisiana unclaimed property can claim the funds at any time. The Treasurer's Office has taken over the right for the administration of the unclaimed property program from the Department of Revenue as per the Act 135 of the 2000 Legislative Session. The Louisiana unclaimed property is held in the state's custody until it could be handed over to the rightful owners." (CashUnclaimed.com Website, www.cashunclaimed.com/funds-property/louisiana-unclaimed-money.phtml, Access August 16, 2004)
- **During An Annual Audit Of The Unclaimed Property Program Kennedy Agreed With Most Of The Audit's Findings.** "Kennedy agreed with most of the audit's findings, but added that it did not list 'one single instance of someone who got a check they shouldn't have gotten or received some property they shouldn't have received.'" ("Report Criticizes Treasury Program To Return Property," *The Associated Press*, April 12, 2004)
- **No I.D. No Problem.** "First Assistant Legislative Auditor Grover C. Austin did not list any instance of fraud, but he did note a number of 'internal control weaknesses' that expose Treasury's Unclaimed Property Division to the possibility of mistakes. For instance, the audit determined that Unclaimed Property Division management had not told staffers what identification documents were necessary from someone who sought payment. 'We found many cases where the division paid claims although documentation to prove the claimants' identities was inadequate, illegible, questionable or expired,' the audit stated. 'The lack of controls in this area results in a risk that the division could knowingly or unknowingly pay fraudulent claims.'" (Mark Ballard, "Report Criticizes Treasury Program To Return Property," *Morning [Baton Rouge] Advocate*, April 10, 2004)
- **Kennedy Was Dismissive Of The Audit.** "I've seen hundreds of these performance audit reports and, except for the details, this one looks the same,' Kennedy said." ("Report Criticizes Treasury Program To Return Property," *The Associated Press*, April 12, 2004)
- **The Audit Found Numerous Failings In The Unclaimed Property Program:**
 - "It failed to collect \$13.7 million in fees and penalties during the past three years from businesses that did not report the unclaimed property that they held."
 - "Neglected selling unclaimed securities, thereby depriving the state of about \$23 million in revenues."
 - "Did not include nearly \$18 million of unclaimed property in the database."
 - "Had not adequately secured access to the computerized database of unclaimed property or monitored changes made in the listing of unclaimed properties."

- “Had not regularly conducted audits of businesses that are supposed to report unclaimed property.”

(“Report Criticizes Treasury Program To Return Property,” *The Associated Press*, April 12, 2004)

IV. Furthering Kennedy’s Career Through State Funds

- **A Fellow Democrat Introduced Legislation To Stop Kennedy From Politically Capitalizing On State Programs.** “Public officials should not be using taxpayers’ dollars to promote themselves, Sen. Joe McPherson, D-Woodworth, said Wednesday. The Senate and Governmental Affairs Committee approved two bills that he said would end the practice. Senate Bill 77 would prohibit spending public money on commercial or public service advertising that contains the name of a public official.” (Robert Morgan, “Bills Restrict Ads Bought With Taxes,” *Daily Town Talk*, April 19, 2001)
- **The Bill Was Named After Kennedy**
 - “That’s a (state Treasurer) John Kennedy bill. Last year there was a specific appropriation to basically allow an elected official to get on TV and promote himself,” McPherson said.” (Robert Morgan, “Bills Restrict Ads Bought With Taxes,” *Daily Town Talk*, April 19, 2001)
 - “The author called his legislation the John Kennedy bill, not for the late president but for the incumbent state treasurer. By whatever name, the bill prohibits public officials from using taxpayer dollars on media campaigns to tout state programs.” (“Notes And Quotes From The Legislature,” *The Associated Press*, April 19, 2001)
 - “The Senate and Governmental Affairs Committee approved Sen. Joe McPherson’s bill Wednesday and sent it on to the full Senate. Last year, Kennedy was getting free publicity in television advertisements promoting the return of unclaimed property to rightful owners, McPherson said, contending the treasurer was promoting himself at the same time.” (“Notes And Quotes From The Legislature,” *The Associated Press*, April 19, 2001)
 - “‘We had that program years before former Gov. Buddy Roemer ever heard of John Kennedy,’ [Democrat State Senator Joe] McPherson said.” (“Notes And Quotes From The Legislature,” *The Associated Press*, April 19, 2001)

V. While At The Department Of Revenue Kennedy's Inefficiency

Cost Louisiana \$1.4 Million

“‘I’ll be the same kind of treasurer as I was revenue secretary,’ Kennedy said. ‘I’ll treat it as the people’s money, not the government’s money.’ Kennedy said he wants to be more active in the state’s finances than the state treasurer’s office has traditionally been.” (Bush Bernard, “Two Join Race For Treasurer,” *The [Baton Rouge] Advocate*, September 9, 1999)

- **Kennedy’s Department Lost Louisiana \$1.4 Million Because Of Inefficiency.** “[Statet Treasurer Ken] Duncan said Kennedy’s office also took too long to deposit tax payments in the bank, and the delays cost the state \$1.4 million a year in lost interest. ‘The average deposit takes eight days, and sometimes it takes 15 to 25 days in peak (tax season),’ Duncan said, pointing to a critical legislative auditor’s report on the subject. Duncan said most other states deposit tax revenue in a day or two.” (Randy McClain, “Treasurer Race Hinges On Trust,” *The [Baton Rouge] Advocate*, October 12, 1999)
- **Kennedy Defended The Inefficiency By Claiming They Were Overwhelmed.** “Kennedy defends his record. He said thousands of income tax returns pour in daily, and it’s impossible to deposit every check in a day or two without spending millions of additional dollars on new equipment and more employees.” (Randy McClain, “Treasurer Race Hinges On Trust,” *The [Baton Rouge] Advocate*, October 12, 1999)

V. Trial Lawyer

- **Kennedy Still Receives Income From His Law Practice.** “State Treasurer John Kennedy, a Democrat, listed assets worth \$693,000 to \$1.9 million in addition to other properties, including real estate and securities that he co-owns with family members, valued at as much as \$3 million. . . . Kennedy listed 2003 salaries of \$128,892 from the Treasurer’s office and \$31,099 from his private law practice. His largest single asset was a Charles Schwab & Co. brokerage account worth \$500,000 to \$1 million. The report shows that Kennedy co-owns with his brothers numerous properties, including undeveloped land, mineral interests and commercial buildings around Baton Rouge. He receives rents for some of the commercial buildings and royalties for some of the mineral interests on. He is still owed \$250,000 that he loaned to his Senate campaign.” (Bill Walsh, “Records Show That Breaux Has Modest Wealth,” *The Times-Picayune*, June 15, 2004)
- **Kennedy Was Described As A Corporate And Civil Trial Lawyer.** “‘Normally when you run against an incumbent there is a lot of time spent critiquing the incumbent’s record,’ said Kennedy, formerly a corporate and civil trial lawyer as well as partner at Chaffe, McCall, Phillips, Toler & Sarpy. ‘During this campaign, I had plenty of time to discuss my own record, which

includes a lot of financial issues.’” (Michael Reisman, “La. Treasurer Settles In,” *The Bond Buyer*, October 26, 1999)

- **Kennedy Made Partner In 1993.** “The law firm of Chaffe, McCall, Phillips, Toler and Sarpy has announced the promotions of lawyers K. Eric Gisleson, John Neely Kennedy and Henry D. Salassi Jr. to partners.” (“Education,” *The Times-Picayune*, October 9, 1993)

ABOUT KENNEDY’S FORMER LAW FIRM: “New Orleans’ oldest law firm, owes its success and longevity to a history of distinguished leaders. . . . Chaffe McCall attorneys continue in their service to the bar and the community by actively participating in a variety of civic, business, political, educational and professional boards and committees. . . . Chaffe McCall's record of success in landmark litigation, as well as its political and civic endeavors, sets it apart as the exceptional New Orleans law firm -- a position the firm has continually earned since 1826.” (Chaffe, McCall, Phillips, Toler and Sarpy Website, www.chaffe.com/, Accessed July 1, 2004)

Lobbyist

- **Kennedy Was A Legislative Lobbyist.** “Kennedy, a former legislative lobbyist, said he will not practice law with his firm during his tenure.” (Ed Anderson, “N.O. Lawyer Named Chief Of Tax Department,” *The Times-Picayune*, December 19, 1995)
- **Kennedy Got His Start in Politics By Lobbying.** “Kennedy, an attorney, got his start in politics lobbying for business and industry and served as executive counsel in the administration of former Gov. Buddy Roemer.” (“Kennedy To Run For Treasurer,” *The Associated Press*, July 26, 1999)
- **Now Kennedy Doesn’t Think Much Of His Former Profession.** “Taking his cue from Southern Democrats who have distanced themselves from party leaders in Washington, Kennedy portrayed himself as Louisiana’s candidate and John as the inside-the-Beltway favorite. ‘I don’t care what a bunch of insiders in Washington or lobbyists say,’ said Kennedy, whose press release announcing his candidacy omits his party affiliation. ‘They don’t determine whether I can run or not.’” (“Clark Courting VA. GOP, Independents,” *The Hill*, February 4, 2004)