

Nonprofit Connects Murtha, Lobbyists

Ties to Pa. Group Mutually Beneficial

By Jonathan Weisman

Washington Post Staff Writer

Monday, December 25, 2006; Page A01

For a quarter of a century, Carmen Scialabba labored for Rep. John P. Murtha (D-Pa.), helping parcel out the billions of dollars that came through the House Appropriations Committee, so when the disabled aide needed a favor, Murtha was there.

In 2001, Murtha announced the creation of Scialabba's nonprofit agency for the disabled in Johnstown, Pa. The next year, with Scialabba still on his staff, Murtha secured a half-million dollars for the group, the Pennsylvania Association for Individuals With Disabilities (PAID), and put another \$150,000 in the pipeline for 2003, according to appropriations committee records and former committee aides. Since then, the group has helped hundreds of disabled people find work.

But the group serves another function as well. PAID has become a gathering point for defense contractors and lobbyists with business before Murtha's defense appropriations subcommittee, and for Pennsylvania businesses and universities that have thrived on federal money obtained by Murtha.

Lobbyists and corporate officials serve as directors on the nonprofit group's board, where they help raise money and find jobs for Johnstown's disabled workers. Some of those lobbyists have served as intermediaries between the defense contractors and businessmen on the board, and Murtha and his aides.

That arrangement over the years has yielded millions of dollars in federal support for the contractors, businesses and universities, and hundreds of thousands in consulting and lobbying fees to Murtha's favored lobbying shops, according to Federal Election Commission records and lobbying disclosure forms. In turn, many of PAID's directors have kept Murtha's campaigns flush with cash.

When the Democrats take control of Congress on Jan. 4, ethics and budget restructuring will be the first orders of business. Among the provisions in the Democrats' ethics package are demands for more transparency in the doling out of federal funds to home-district projects and a required pledge that no earmarks benefit a member of Congress personally. That could put an uncomfortable spotlight on lawmakers such as Murtha.

"It's a real tangled web between the congressman, the nonprofit, the defense contractors and the lobbyists," said Steve Ellis, vice president of Taxpayers for Common Sense, a nonpartisan watchdog group. "It's hard to say where one stops and the others start."

Murtha declined to respond to numerous phone calls and e-mails from The Washington Post requesting comment.

Scialabba, a former Marine whose young boxing career was cut short by polio and who relies on a wheelchair, said PAID's efforts to put a chronically underemployed population to work have rendered it above reproach. The group has provided information, training and resources to encourage businesses to hire disabled workers.

"Everyone's trying to make this a political thing, and it makes me very mad," Scialabba said last week in a brief interview, defending the collaborations. "Would you rather have tax dollars spent on some [disabled] guy sitting at home? We're not looking for handouts, damn it."

But to some watchdogs, including Taxpayers for Common Sense, Democracy 21 and Citizens for Responsibility and Ethics in Washington, PAID looks a lot like the cozy nexus between lawmakers, lobbyists and business interests that Democrats railed against in the midterm campaigns.

Its board of directors includes Scialabba and five government contractors who have received millions of federal dollars through appropriations measures obtained by Murtha. Its advisory council includes three lobbyists from KSA Consulting, which employs Scialabba and employed Murtha's brother, Kit. Its honorary board members include still more defense contractors.

In turn, the lobbyists and businesses associated with PAID have become supporters of Murtha's campaigns, contributing a total of nearly \$125,000 in the past three election cycles, when Murtha raised a total of \$7.2 million, according to campaign records. And those same players have spent hundreds of thousands of dollars at three lobbying shops with close Murtha ties: the PMA Group, Scialabba's KSA Consulting and Ervin Technical Associates.

In the past year, Murtha, a Marine combat veteran and defense hawk, has gained national prominence as the leader of the Democratic charge to pull U.S. troops from Iraq. After the Democrats won control of Congress in November, he made an unsuccessful bid to become House majority leader, with strong backing from House Speaker-elect Nancy Pelosi (D-Calif.) The main source of his power is his perch as the top Democrat on the defense appropriations subcommittee, which controls nearly a half-trillion federal dollars a year. His largess to his friends and hardscrabble district is legendary. But now that he is assuming the chairmanship of the defense subcommittee, his actions are coming under new scrutiny.

Under Murtha's watch, for instance, Windber Medical Center has been transformed from a struggling hospital outside of Johnstown into a burgeoning cancer research center, thriving on Defense Department funding. Hospital officials have paid the PMA Group some \$380,000 in lobbying fees since signing on in 2001. And hospital employees have financed Murtha's political campaigns to the tune of nearly \$25,000.

"It sounds like DeLay Inc.," said Melanie Sloan, executive director of the Democratic-leaning Citizens for Responsibility and Ethics in Washington, referring to former House Majority Leader Tom DeLay (R-Tex.), who set up his own charities that became the focus of attention by businesses and lobbyists seeking to curry favor with him.

But Murtha has his defenders. "Jack Murtha is supportive of everything you can think of around here, from roads and sewers to defense contractors," said Bill Kuchera, chief executive of Kuchera Industries of Windber, Pa., and a PAID director. "But without Jack Murtha, there'd still be a Kuchera. We don't lean on Jack Murtha at all."

Murtha repeatedly intervened on behalf of PAID to help Kuchera expand.

After PAID's founding, Scialabba approached Kuchera to get involved. Kuchera jumped, not only joining the group's board but ramping up hiring of disabled workers, who now compose a third of the 200 employees in his company's defense business. The federal government picked up Kuchera's \$7 million training bill. This year, Murtha earmarked \$1.3 million for Kuchera's chemical and biological weapons detection research.

Kuchera employees donated more than \$31,000 to Murtha in the past three election campaigns, according to federal election records. Between 1990 and 2000, contributions totaled \$1,000. And congressional lobbying disclosure forms tally \$140,000 in payments since 2001 from Kuchera to Ervin Technical Associates, whose chairman is former representative Joseph M. McDade (R-Pa.), a close Murtha ally.

The Kuchera experience is not unique. Ed Washington, another PAID director, hails from MTS Technologies, an Arlington defense contractor that recently secured \$8.9 million in federal funds to expand its Johnstown facility. MTS's lobbyist, the PMA Group, has disclosed some \$300,000 in fees from the company since 1998. And PMA has returned the favor: Since 1989, the firm's employees have given Murtha \$107,500.

Daniel DeVos, an honorary PAID board member, represents Concurrent Technologies, whose employees have lavished Murtha with more than \$53,000 in campaign contributions and PMA with \$820,000 in fees. That may sound steep, but the rewards have been substantial: a \$150 million contract to operate the Navy Metalworking Center; a \$4 million contract from the Army to evaluate fuel-cell systems; and \$1.7 million for a weapons of mass destruction response laboratory, among others.

Another PAID director, Jim Estep, is a central figure in an investigation of Rep. Alan B. Mollohan (D-W.Va.), a Murtha ally and fellow member of the Appropriations Committee. Estep heads the West Virginia High-Technology Consortium Foundation and the Institute for Scientific Research, two nonprofit organizations that Mollohan helped set up and has plied with federal funds.