



McDonnell's Trade Trip Includes Lunch With Steven Spielberg

By: Kathryn Watson – April 10, 2013

Virginia taxpayers don't know how many details Gov. Bob McDonnell's office omitted from the public schedule of his upcoming 16-day trade trip to Asia and California.

But there's at least one interaction his itinerary failed to include — lunch with "Lincoln" director Steven Spielberg, whose production enjoyed roughly \$3.5 million in tax breaks for filming in the state.

That didn't stop McDonnell from letting it slip in a conversation with reporters on Monday that he'll be dining with one of the world's most famous filmmakers in California.

"I'm actually meeting with some of the Hollywood film producers simply because we had a great win with Steven Spielberg coming out here," McDonnell said. "Actually, I think we're having a lunch with him."

Realizing his misstep, McDonnell turned to an aide and asked, "Can I say that or not?"

"Already did," the aide responded.

Watchdog.org requested McDonnell's full schedule for the trip, scheduled for Wednesday through April 26. But McDonnell spokesman Paul Logan denied the request.

"Many meetings with business leaders who may be considering Virginia are not included on a public schedule due to the sensitive nature of the negotiations," Logan wrote in an email.

Logan did, however, respond to Watchdog.org's request for the trip's budget for the governor and accompanying staff: \$82,521 for California, and \$249,438 for Asia.

The governor's office claims previous trade trips — there have been seven — have produced more than a half billion dollars in capital investment and 1,397 Virginia jobs.

In many cases under Virginia Freedom of Information Act, it's at the discretion of the governor's office to release scheduling details, said Alan Gernhardt, staff attorney with the Richmond-based Virginia Freedom of Information Advisory Council, a state agency that advises the General Assembly and the public on FOIA matters.

Exemptions under the law — security, working papers and economic development planning — can be pretty broadly applied, he said.

“There are discretionary exemptions,” Gernhardt said. “So if they choose, they can reveal more rather than less, they can.”

This wouldn’t be the first time a Virginia governor has claimed his schedule is cloaked from the public eye.

“Former governors have said the entire calendar is for his personal use,” Gernhardt said — like former Gov. Tim Kaine.

For a while, Kaine refused to offer any details about his schedule, Gernhardt said. But pressure for Kaine to release his whereabouts mounted when he joined leadership of the Democratic National Party, and the press and public wanted to know how much time he spent governing the DNC compared with how much time he spent governing the state.

“They eventually released that stuff because there was just so much pressure from the press and the public for it,” Gernhardt said.

McDonnell’s office typically releases a partial schedule of the governor’s whereabouts for the next week to reporters on Friday afternoons.

On this month’s trip, McDonnell will visit Los Angeles, San Francisco, China and Japan to promote Virginia tourism, trade and film partnerships.

Traveling with McDonnell are Secretary of Commerce and Trade Jim Cheng, Secretary of Technology Jim Duffey (California only), Secretary of Agriculture and Forestry Todd Haymore, Chief of Staff Martin Kent (California only) and senior officials from the Virginia Economic Development Partnership, Virginia Tourism Corporation, Virginia Port Authority and Virginia International Terminals and the Virginia Department of Agriculture and Consumer Services.

The itinerary released by the governor’s office includes:

- Hosting luncheon and receptions with Utah Gov. Gary Herbert.
- Meetings with film and business executives to promote Virginia.
- Hosting dinner in Beijing to promote Virginia wine and tourism.
- Meeting with the Japan External Trade Organization.

Policy analysts and lawmakers have criticized the way Virginia gives preferential treatment to Hollywood — like in the case of Spielberg’s “Lincoln,” — calling it a practice that skews the economic playing field and eats up tax revenue needed elsewhere.

The Virginia Film Office was established in 1980 to lure multimillion-dollar projects away from Hollywood and neighboring states. Business incentives to entice those projects were sweetened in 2010 when McDonnell signed Virginia’s first film tax credit into law.

“From my point of view, the state giving \$5 million to a billionaire to make his movie in Virginia is a luxury our state can’t afford right now when we are cutting education, Medicaid and the rest of our safety net,” Delegate Scott Surovell, D-Fairfax, said in a November interview with Watchdog.org.

Chris Edwards, director of tax policy studies for the libertarian-leaning Cato Institute, said the economic argument for film industry tax incentives is flimsy, and shows how broken Virginia’s tax code is.

“The only reason I can understand why they focus so much on the Hollywood industry is because it’s kind of a sexy industry and the governor gets photo opportunities with movie stars,” Edwards said in a November interview with Watchdog.org. “I think it’s that superficial, which is frankly pathetic.”