




COVERING FOR  
**CORRUPTION**  
PART TWO:  
**SEN. RICK SCOTT**

**A SPECIAL REPORT FROM THE CONGRESSIONAL INTEGRITY PROJECT**



Ensuring that public officials are working in the public interest is one of Congress's most important responsibilities. But year after year, some lawmakers get it backwards: They attempt to distract the public from real corruption while they use their positions to enrich themselves and those close to them.

Sen. Rick Scott (R) of Florida has made a career out of padding his wallet while claiming to work for the public. Now, as our economy spirals and Covid-19 cases and deaths continue to climb, the only numbers Scott seems to care about are the ones in his bank account. He's fighting against aid to working Americans and covering for the Trump administration's incompetent response—all so he can continue his self-dealing.

This report, Part Two of our “Covering for Corruption Series,” details how Scott substitutes his own finances for the public interest while trying to distract voters. We can't force Scott to act with integrity. But we can expose his record and stop him from misleading and manipulating voters.

## **SELF-DEALING TO ENRICH HIMSELF AND HIS FAMILY**


### **The foundation of Senator Scott's wealth is built on historic fraud by the health care company he led.**

Before he ran for office, Scott got fabulously rich as the chief executive of a hospital company called Columbia/HCA. Under Scott's leadership, the company perpetrated what the U.S. Department of Justice has [called](#) “the largest health care fraud in U.S. history.” In short, the company [defrauded Medicare and Medicaid](#) by making patients look sicker than they were, falsifying records, and charging taxpayers for treatment that didn't happen or didn't qualify for reimbursement.

Ultimately, Columbia/HCA settled the fraud case with the federal government for [a record \\$1.7 billion](#). Scott was forced out by the company's board, and invoked his Fifth Amendment right [75 times](#) in a deposition related to the case. His ignominious ouster, however, did not stop him from cashing out. Scott pocketed a staggering \$300 million in stock, \$5.1 million in severance, and a guaranteed \$950,000 per year “consulting” contract with Columbia/HCA.

### **Scott has grown his family's massive, ill-gotten fortune—which could have ballooned to over half a billion dollars—through his public actions as governor and senator.**

Scott's massive fortune, which he tapped to run for office, is built on fraud—but that hasn't stopped him from using his office to pad his family's finances even further. As governor, from 2011 to 2018, Scott routinely made policy decisions with the potential to increase his personal wealth. While in office, Scott saw the trust where he kept his assets nearly [triple in value](#). As of 2018, the last year of his governorship, his family's combined fortune could have been worth over [half a billion](#) dollars.



The explosive growth of his wealth has continued in the U.S. Senate. New [financial disclosures](#) show that Scott's net worth increased by at least \$55,677,932, or 33.4 percent, over his first year as a Senator—but the real figure is likely much larger. The ranges on his disclosures prevent the public from calculating the high end of his wealth exactly. Based on the information Scott has released, his personal wealth could have grown to \$461,672,146, a single-year increase that may have reached \$108,688,050.

His immediate family's combined fortune is likely much larger than even that astronomical figure. Scott lists 125 assets under his wife's name at "over \$1 million" each, with no further detail given. Given Scott's [history](#) of transferring assets to his wife to avoid conflict of interest charges, these assets could mirror or even exceed his own. Absent additional information from Scott, we cannot calculate a specific figure for the Scotts' wealth.

### **Scott's daughter, Allison Guimard, cashed in on her father's election through a plum job in the Tallahassee office of a media firm that worked on Scott's campaign.**

The Scott family's self-dealing began right after Rick Scott's first gubernatorial campaign. Harris Media, a Texas-based firm that Scott's campaign paid over \$500,000, [hired his daughter Allison Guimard](#) as Vice President of Marketing and Business Development. According to her [LinkedIn](#), she had no previous political or public affairs experience.


As the *Times-Herald* reported, Guimard subsequently used the governor's name to "[drum up](#)" clients for the firm's Tallahassee office, the opening of which coincided with Scott's election. The *Times-Herald* reported at the time that "Guimard twice identifies herself as 'Allison Scott'" in calls to potential clients, "and mentions that 'we just did Gov. Scott's campaign.'" By 2014, Harris Media no longer employed Guimard and [had abandoned](#) its Tallahassee operation.

As governor of Florida, Scott forced through a massive natural gas pipeline and supported other projects that boosted his family's personal investments.

### **As governor, Scott saw no problem with retaining heavy investments in companies affected by his official decisions. In fact, he consistently took actions that favored his investments while dismissing conflict of interest concerns.**

Scott remained heavily invested, for example, in Florida's energy sector. The state's largest utility, Florida Power & Light, partnered with NextEra Energy and Spectra Energy to build the [\\$3 billion Sabal Trail](#) pipeline during Scott's tenure as governor. Scott [aggressively supported](#) an expedited state review of the pipeline, which ran through 12 Florida counties. The project was quickly approved by one of his appointees.

In 2018, the Scotts owned up to \$750,000 in shares of NextEra Energy Partners, with Scott owning as much as \$250,000 and his wife with as much as \$500,000 in investments. The Scotts directly owned stock in Spectra Energy, from which they received dividends and capital gains [worth up to \\$205,000](#). In addition to his role in expediting the pipeline, Scott [publicly encouraged](#) a Chinese firm, JinkoSolar, to open its first solar facility in Jacksonville—a move that financially benefited NextEra and his own bottom line.



Scott also used his governorship to burnish his health care investments. Almost as soon as he entered office, for instance, he mandated questionable or unnecessary drug testing for state employees and pushed for drug testing for welfare recipients. Scott owned \$62 million dollars of a company, Solantic, that ran health clinics in a position to carry out the tests. The policy “would have created vast potential markets” for Solantis, [according to](#) the *New York Times*.

Just prior to taking office he transferred his stock in Solantic to his wife’s trust, leaving her with [effective control](#) over the company. At the time, Palm Beach County Ethics Commissioner Bruce Reinhart [commented](#) that while Scott’s actions weren’t necessarily criminal, the public would rightly regard them as “improper,” “sleazy,” or “corrupt.”

### **Scott used an official trip abroad to meet with Japanese business executives who would later purchase his private business for \$825 million.**

Before Scott became the governor of Florida, he was the [chairman](#) of a manufacturing company Continental Structural Plastics (CSP). His tenure as chairman left the company “near insolvency” and “saddled with high interest debt,” and Scott stepped down before he took office. However, the Scott family—through shares owned by Ann Scott—continued to control [66 percent](#) of the company. For two years of his governorship, Scott’s then-[son-in-law](#), Jeremy Kandah, also sat as a board observer for CSP. Kandah was married to Scott’s daughter when he took his seat on the board.

In 2017, Japanese conglomerate Teijin purchased CSP for \$825 million—a major financial boon for Scott. Scott’s involvement in the sale raises ethics questions. As governor in 2013, Scott led a trade delegation to Japan and [met with leaders of Teijin](#), the company that would purchase CSP four years later. He also met with leaders of Mitsubishi, which signed a memorandum of understanding to work with CSP in 2016, before Scott sold his shares (the deal was later dissolved).

At the time of the sale, Scott defended himself against accusations of a conflict of interest, arguing his investments were in a blind trust. However, emails [revealed](#) that Rick Scott spoke directly to Gregory Scott, another CSP board member of no relation, who manages Ann Scott’s investments in addition to the assets in his own “blind” trust. As Richard Painter, a former ethics lawyer in George W. Bush’s administration, [said in](#) 2018: “That doesn’t sound like a very blind trust.”

### **Scott and his wife made millions from investments in a pharmaceutical company that lobbied for federal favors and against expanding insurance coverage—and now price gouges for Covid-19 treatment.**

From 2013 until last year, Rick Scott and his wife were both heavily invested in pharmaceutical company, Gilead, which manufactures the antiviral drug Remdesivir used to treat Covid-19 patients. In 2017 and 2018 alone, the couple [reported](#) dividends and capital gains between \$250,000 and \$2.1 million from the company.

Sen. Scott sold his stake in Gilead sometime in 2019, before the company began [price-gouging](#) Covid-19 patients for Remdesivir, which was developed with [taxpayer support](#). Curiously, the sale date and amount [do not appear](#) on disclosures required by the STOCK Act—possibly because of accounting acrobatics that allowed Ann Scott to hold them in a separate trust.



Scott consistently used his public office to protect and grow his investment in Gilead. As governor of Florida, for example, he oversaw the payment of [\\$21.7 million](#) in taxpayer money to Gilead for Hepatitis C drugs for the state's prison population. Those prices were likely inflated to benefit the drugmaker; a 2015 Senate Finance Committee [investigation](#) found that Gilead “put profits patients in pricing its Hep C drugs.”

In the first quarter of 2019, when Scott joined the Senate, Gilead spent a then-record [\\$1.86 million](#) on federal lobbying. The company pursued priorities such as blunting momentum for a public insurance option, maximizing industry profits, and gaining approval for its products. Since then, Gilead has consistently ratcheted up its lobbying operation. Scott has provided a receptive audience, promising to “[repeal the failure of Obamacare](#).”

Scott has also spoken out [against mask mandates](#) and in favor of [quickly reopening businesses](#). Both of those factors contributed to a record spike in infections and deaths among his constituents. Recently, Scott has advocated for [reopening schools](#), which experts agree would increase the spread even further. On August 11, his home state of Florida set a single-day record with [277 deaths](#).

### **Scott kept his wealth in a “blind trust” that wasn’t blind at all—and pressured the Florida legislature into passing a custom-made law to excuse his self-dealing.**

Rick Scott has acted as if rules that prevent profiting off the public interest don't apply to him, and for good reason: for most of his time in office, they haven't. As governor he created a trust that was blind in name only, transferring many assets to his wife and refusing to disclose others. His trust was overseen by [the same financial manager](#) who oversaw his wife's investments—the large majority of which mirrored his own. [2018 disclosures](#) showed that 91 percent of the 89 equity investments in Scott's trust were held in his wife's as well.

These investments included “a credit fund run by the parent company of a high-speed rail line being built in the state; a company that provides drugs to the state's Medicaid patients, and a company that donated land to a new state university,” according to the [Associated Press](#). Scott did not disclose the exact size of these investments, but many amounted to over \$1,000,000. Scott's wife, an interior decorator by trade, has admitted [speaking frequently](#) with the manager of their common assets.

This arrangement was only possible because the Republican-controlled Florida legislature passed a 2013 law making the mere existence of a blind trust an absolute defense against conflict of interest charges. [According](#) to the *New York Times*, “The law set standards for blind trusts that simply mimicked the structure of Mr. Scott's,” and Scott's office was “heavily involved” with drafting the legislation.

Later, the *Tampa Bay Times* reported that loopholes written into the law “made it impossible for the courts and the Florida Commission on Ethics to verify if the governor had indeed followed the law or used it to skirt scrutiny.” That, by extension, prevented Florida voters from casting their ballots with complete information about Scott's potential conflicts. After Scott left office, Florida [quietly repealed](#) the law.

## Scott again broke his campaign promise to keep his assets in a blind trust when he ran for U.S. Senate, and has no robust plan to prevent conflicts of interest while in office.

As a candidate in 2018, Scott [pledged](#) to use a blind trust if elected to avoid “even the appearance of the conflict of interest.” He almost immediately broke that promise—possibly because his Florida arrangement would never hold up to Senate standards, which [require](#) a trustee to be “independent of and not associated with any interested party.”

“I’m not going to have a blind trust,” Scott flatly [told](#) Floridians in a reversal after winning his seat. Along with his colleague, Sen. Ron Johnson (R-WI), Scott has abandoned even the pretense of separating his official duties from his private wealth. Instead of committing to act in the public interest, he committed to releasing only the vague, bare-minimum financial disclosures required of all members of Congress.

## DISTRACTING VOTERS WITH ILLEGITIMATE INVESTIGATIONS AND EMPTY RHETORIC

Scott has gotten away with almost a decade of self-dealing on a massive scale while holding public office. So it’s hard to fault his reasoning that he is more likely to hold onto power, and continue enriching himself and his family, if voters are focused on something else.

## Scott uses his seat on a powerful Senate oversight committee to advance conspiracy theories, including the baseless “Obamagate” theory.

As a member of the majority on the powerful Senate Homeland Security and Governmental Affairs Committee—the Senate’s chief oversight body—Scott has broad leeway to influence the committee’s agenda. He has a duty to hold government officials accountable, especially in times of crises. He could be investigating the failed federal response to a pandemic that has [already killed](#) more than 160,000 Americans, including almost 9,000 of his own constituents.

Instead, he is supporting an [illegitimate investigation](#) into debunked conspiracy theories about President Trump’s political opponents. To gin up spectacle and distract the public from Trump’s dismal performance during the pandemic, Scott recently [voted to authorize](#) subpoenas for a list of people who investigated ties between Russia and the Trump campaign in the 2016 election.

## The baseless accusations Scott is perpetuating likely stem from Russian disinformation.

In February, fellow Republican Sen. Richard Burr (NC) [warned](#) that Scott’s investigation was aiding “Russian efforts to sow chaos and distrust in the U.S. political system.” Recent reporting has largely confirmed that warning. [Sources](#) indicate that members of Congress are being targeted by a foreign operation, and that Scott’s committee in particular could be used to “launder” disinformation from the Kremlin and pro-Russia operatives in Ukraine.

## Scott bought ads to distract voters from President Trump’s impeachment and spread debunked claims about his opponent in November.

When he was supposed to be participating in the Senate’s impeachment trial, Scott was [running ads](#) in Iowa claiming that debunked theories about Joe Biden’s son were more important than the president’s actual wrongdoing.

## While Covid-19 rages unchecked across Florida, Scott offers empty words about the value of work—not solutions that would aid Floridians.

Rather than fighting for measures to help his hard-hit constituents, Scott is one of several GOP senators calling continued unemployment benefits a “[disincentive to work](#).” He tried to block the original stimulus package over the \$600 weekly unemployment benefit, which he claims is too much money for Floridians who lost their job due to the pandemic.

Meanwhile, Florida’s unemployment system [is failing](#), and [one in four](#) Floridians lack health insurance. But by Scott’s measure, that failure is actually a success. Republicans in Florida [admit](#) that Scott designed the unemployment system to “make it harder for people to get or keep benefits so unemployment numbers were low to give the governor something to brag about.”

Scott has shown, over the course of his career, that he has no problem using government to get rich. But in using government to help ordinary Americans put out of work by a pandemic, it appears that Rick Scott has finally found a line he is unwilling to cross.

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