



Compliance Notes - Vol. 1, Issue 11

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RECENT LOBBYING, ETHICS & CAMPAIGN FINANCE UPDATES

We read the news, cut through the noise, and provide you the notes.

Welcome to Volume 1, Issue 11 of *Compliance Notes* from Nossaman's **Government Relations & Regulation Group** – a periodic digest of the headlines, statutory and regulatory changes, and court cases involving campaign finance, lobbying compliance, election law, and government ethics issues at the federal, state, and local level.

Your attorneys, policy advisors, and compliance consultants are available to discuss any questions or how specific issues may impact your business.

If there is a particular subject or jurisdiction you'd like to see covered, please let us know.

Until then, please enjoy this installment of **Compliance Notes**. If you would like to have these updates delivered directly to your in-box, please click below to subscribe to our Government Relations & Regulation mailing list.

Campaign Finance & Lobbying Compliance

Maine: Sara Gideon, Maine's Speaker of the House and Democratic primary front-runner, is expected to receive a \$3.7 million windfall. During the 2018 Senate fight over Brett Kavanaugh's nomination to the Supreme Court, activists launched a crowdfunding campaign for Sen. Susan Collins' would-be challenger if the Maine Republican voted for confirmation. She did and opposition to Collins took the form of more than \$4 million in donations. After processing fees, \$3.7 million awaits Maine's Democratic primary winner. (Kate Ackley, *Roll Call*)

Massachusetts: Former House Speaker Sal DiMasi was cleared to register as a lobbyist after Secretary of State William Galvin rejected DiMasi's application based on his past convictions. The Superior Court ruled that the Legislature had not explicitly listed those crimes as triggers for automatic disqualification from lobbying. (Matt Murphy, *State House News Service*)

Vermont: The Vermont Democratic Party has called on state media organizations to stop running advertisements for Milne Travel, a business owned by Republican Scott Milne, who is a candidate for lieutenant governor. The Party called for the advertisements to stop because it is tantamount to spending corporate funds "in service of boosting his name recognition for political gains." (Xander Landen, *VTDigger*)

Conflicts of Interests

New York: Executive Director of the New York City Board of Elections, Michael Ryan, was fined \$2,500 for violating the city's ethics law. In 2016, Ryan served as an unpaid member of an advisory board for Election Systems and Software ("ES&S"), a vendor from which the Board purchases its election machines and other supplies. Ryan had approval from the Board's ten commissioners and sought guidance from the city's Conflicts of Interest Board, who advised him that ES&S could pay for his travel expenses to attend Board meetings as needed in order for him to fulfill his city duties. But Ryan committed an ethics violation when ES&S paid for him to spend two nights at a midtown hotel, which cost \$762.80. Under the settlement, Ryan acknowledged that accepting the hotel stay violated the "valuable gift" portion of City Charter Section 2604 (b)(5). (Brigid Bergin, *Gothamist*)

Elections

The U.S. Supreme Court ruled unanimously that states are free to remove and punish "faithless" presidential electors who break with their pledges to support designated candidates. The opinion stated that allowing punishment of wayward electors is consistent with the Constitution and American tradition. (Josh Gerstein and Kyle Cheney, *Politico*)

Alabama: In a 5-4 decision, the U.S. Supreme Court blocked a lower court injunction allowing curbside voting in Alabama and waiving some absentee ballot requirements during the COVID-19 pandemic. Last month, a federal district court issued a preliminary injunction to allow local officials to offer curbside voting in the July runoff and loosen absentee ballot requirements in three of the state's largest counties. The Supreme Court granted Alabama's request to stay that order. (Kim Chandler, *AP News*)

New Hampshire: The Libertarian Party of New Hampshire's request for relief from the state's nomination paper signature requirements was denied. In New Hampshire, third party and independent candidates who want to appear on the November ballot are required to collect as many as 3,000 signatures, in person. A federal district court refused the request for an immediate injunction, but ordered a hearing to be held on July 22, only two weeks ahead of the state's August 5 deadline for the candidates to submit the nomination papers. (John DiStaso, *WMUR9*)

Political Speech & Campaign Advertisements

The U.S. Supreme Court upheld a federal ban on robocalls to cell phones from political campaigns. Political consultants and pollsters wanted the Telephone Consumer Protection Act ("TCPA") declared unconstitutional on the grounds of free speech, claiming that Congress' statutory exemption for debt collectors was a content-based restriction on speech. Rather than ruling the entire TCPA unconstitutional, the Court ruled

that the exemption for debt collectors was unconstitutional. (Samantha Manning, *CMG Washington News Bureau*)

New Jersey: Two New Jersey Congressional candidates filed a complaint asking a federal court to declare the state's restrictions on campaign slogans unconstitutional as violations of candidates' right to free speech. The candidates contend that the law prohibits slogans that name or refer to a person or entity other than the candidate, unless there is permission granted by the referenced person or entity. The law has fueled a competition in the state to incorporate entities in order to own the rights to their names for ballot slogans and exclude others from using them.

State & Local Ballot Measures

Alaska: Alaskans will have the chance to decide whether to switch to an open primary system (where the top four vote-getters would move on to the general election) and require increased disclosure from independent expenditure groups (where they would report the primary source of contributions of more than \$2,000) with the Alaskans for Better Elections initiative (Measure 2) on their November general election ballot. (Elwood Brehmer, *Alaska Journal of Commerce*)

Oregon: Drug decriminalization, a cigarette tax increase and campaign finance reform are on a historically short list of ballot measures that will go before voters in the November 3 election. Two other initiatives are awaiting final approval from the Secretary of State's Office. Even if all five measures make it onto the ballot, it will be the lowest number this century. (Gary A. Warner, *Bend Bulletin*)

Washington: For the first time since 1928, the state of Washington will not have a single statewide initiative on the ballot in November during a presidential election year. (Austin Jenkins, *Northwest Public Broadcasting*)

San Jose, CA : San Jose councilmembers voted 6-5 to approve a November ballot measure to expand Mayor Sam Liccardo's power, extend his term until 2024, shift mayoral elections to presidential years and enact a slew of campaign finance reforms. (Mauricio La Plante, *San Jose Spotlight*)