



Compliance Notes - Vol. 2, Issue 33

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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 *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.

Our 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

Representative Ted Lieu made two separate \$25,000 donations in 2017 and 2018 from campaign funds to his alma mater, Stanford University. According to the article and a former FEC Chair, the donations are likely permissible, though they may raise other non-campaign finance questions because one of the Representative's sons is currently enrolled at the university. (Ryan Mills, *National Journal*)

Alabama: A complaint filed with the Alabama Ethics Commission alleges that Birmingham mayoral candidate Lashunda Scales violated campaign finance rules by omitting disclaimers on billboard and yard sign

advertising and that the campaign failed to report expenditures related to these advertisements. (Josh Moon, *Birmingham Political Reporter*)

California: The Pasadena City Council is considering whether to adopt its own campaign contribution limits via ordinance or to continue using the default limits established by state law that went into effect on January 1, 2021. (Andre Coleman, *Pasadena Now*)

Connecticut: The chair of the Stratford Democratic Party filed a complaint with the State Election Enforcement Commission alleging that mayoral candidate Stephanie Philips violated campaign finance laws by funding her 2017 mayoral campaign with contributions from straw donors, with the true source of funds from an alleged mobster. The complaint also alleged that in 2021 Philips funded her campaign from Paycheck Protection Program grants that were paid to her business. (Ethan Fry, *CT Post*)

Louisiana: The New Orleans Ethics Review Board has recommended that the city amend its Code of Ethics to adopt pay-to-play laws that would limit city utilities and other city vendors from making political contributions to candidates for city council. (Michael Isaac Stein, *Louisiana Weekly*)

Government Ethics & Transparency

U.S. Government: In a financial disclosure report filed approximately 16 months late, Senator Rand Paul revealed that his wife had purchased stock in the pharmaceutical company Gilead, which makes remdesivir, a treatment for COVID-19. The value of the stock ranged from \$1,001 to \$15,000 and was purchased in late February 2020. (Morgan Watkins, *Louisville Courier Journal*)

A former USDA official, Richard Holman, was sentenced to six months of detention and ordered to pay a fine of \$110,000 in connection with a bribery scheme in which he accepted gifts, including concert and professional golf tournament tickets, in exchange for preferential treatment of a government contractor. (Michael O'Connell, *Patch*)

Iowa: The Iowa Ethics and Campaign Disclosure Board announced that it found no violation of the state's lobbying laws by Heritage Action. A complaint had been filed in May alleging that Heritage Action had engaged in unregistered lobbying based on a video that had surfaced with the group's executive director taking credit for writing an election law that cut down the amount of time to vote. (Stephen Gruber-Miller, *Des Moines Register*)

New York: Camille Joseph Varlack, Chair of the Joint Commission on Public Ethics who was appointed by Andrew Cuomo, resigned as of August 15, 2021. (Chris Bragg, *Albany Times Union*)

South Carolina: An investigative news report revealed that South Carolina public officials owed a combined \$2.9 million in unpaid fines to the South Carolina Ethics Commission. (Avery Wilks & Joseph Cranney, *The Post & Courier*)