



Compliance Notes - Vol. 2, Issue 42

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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

Alaska: The Alaska Public Offices Commission upheld a \$38,500 fine levied against Anchorage Mayor Dave Bronson's election campaign for filing inaccurate campaign expenditure reports during the runoff election. (James Brooks, *Anchorage Daily News*)

California: Following an investigation into possible campaign finance violations, Alma Hernández, the former executive director of California's largest labor union, is facing various criminal charges for misusing campaign funds. Court documents allege that Hernández made two payments to her husband using money

from an SEIU-sponsored PAC for food and drinks. However, the refreshments were never provided at campaign events. Hernández is also facing a perjury charge for declaring the payments on a campaign form. (Taryn Luna, *Los Angeles Times*)

A complaint was filed with the Fair Political Practices Commission (FPPC) alleging that a candidate for Santa Barbara city council, Barret Reed, received excessive contributions because 12 different limited liability companies (LLC) that contributed to his campaign were connected to the same individual and, according to the complaint, should count as coming from that individual. (Tyler Hayden, *Santa Barbara Independent*)

Colorado: The Secretary of State is pursuing claims of lobbying disclosure violations against two former state legislators for failing to properly register as redistricting lobbyists. The election division found the legislators may have violated lobbying rules by engaging with commissioners and accepting payments from a 501(c)(4), Colorado Neighborhood Coalition, actions that could qualify as lobbying while not being registered lobbyists. (Evan Wyloge, *The Denver Gazette*)

Missouri: The Missouri Ethics Commission is suing St. Louis Alderman John Collins-Muhammad for failing to pay a fine of \$930 assessed against him by the Commission. (Kurt Erickson, *St. Louis Post-Dispatch*)

Wisconsin: Milwaukee Alderman Chantia Lewis, who is facing criminal charges for taking more than \$20,000 in campaign funds and false reimbursements from the city, pleaded not guilty to all charges. Alderman Lewis is accused of using campaign funds for personal trips and expenses, including credit card payments, vehicle repairs and a worship conference in Florida. (Alison Dirr, *Milwaukee Journal Sentinel*)

Government Ethics & Transparency

California: A councilman for South Los Angeles, Mark Ridley-Thomas, was indicted on federal bribery charges for supporting millions of dollars in public contracts for the University of Southern California, allegedly in exchange for a full-tuition scholarship and paid professorship for a relative. (Shawn Hubler & Soumya Karlamangla, *The New York Times*)

Delaware: Following a lengthy investigation by the U.S. Department of Justice's Division of Civil Rights & Public Trust, State Auditor Kathleen McGuinness was indicted for five criminal charges related to abuse of office, including Conflict of Interest, Non-Compliance with Procurement Law and Official Misconduct, among others. (*Delaware.gov*)

Pennsylvania: To promote transparency and close loopholes, lawmakers introduced a package of lobbying reform bills designed to avoid conflicts of interest and define the relationship between lawmakers and lobbyists. The legislation imposes new requirements for political consultants and lobbyists, including mandatory trainings and additional disclosure requirements, but does not include a gift ban that would prohibit lawmakers from accepting gifts from lobbyists. (Marley Parish, *Pennsylvania Capital-Star*)

Rhode Island: The Rhode Island Board of Elections postponed a vote on a proposal that would allow potential candidates for state and local office to "test the waters" without disclosing how much money they raise or spend. (Katherine Gregg, *The Providence Journal*)