



Compliance Notes - Vol. 2, Issue 48

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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

The Federal Election Commission (FEC) agreed to accept a civil penalty of \$35,000 from former Massachusetts Rep. Joe Kennedy III's Senate campaign for improperly spending \$1.5 million of campaign funds raised for the general election during the 2020 primary. Even though Rep. Kennedy's campaign reported itself to the FEC, and Kennedy himself repaid all the money, the Commission voted to conciliate the matter with Kennedy's Senate Campaign and require a monetary penalty. (Bryan Metzger, *Business Insider*)

Government Ethics

North Dakota: Leaders of the 2018 ballot measure that created North Dakota's Ethics Commission say the panel's draft conflict of interest rule, that exempts campaign contributions, would violate the state constitution's provision on the appearance of bias in "quasi-judicial" proceedings. The Executive Director of the Ethics Commission argued that a blanket prohibition or mandatory recusal would be a First Amendment violation. The panel is waiting for the attorney general's opinion and is taking public comments on the rule. (Jack Dura, *The Bismarck Tribune*)

Legislation & Ballot Measures

The European Union: The European Commission recently proposed a bill banning media companies from targeting political ads toward people based on categories regulators deem sensitive, including religious views, sexual orientation, race, political beliefs and health status, without users' explicit consent. The bill would also impose broad disclosure requirements on social-media companies for every political ad they present, such as criteria used to determine which users see the ad, how widely viewed the ad is, and targeting via third-party data. (Sam Schechner, *The Wall Street Journal*)

New York: New York City lawmakers are moving to permit more than 800,000 non-citizen New Yorkers to register as members of political parties and vote in municipal elections. Non-citizens can register to vote so long as they are green card holders or have the right to work in the United States. If the City Council approves the bill in December, New York City will become the largest municipality in the country to allow legal residents to vote in local elections. The measure would *not* apply to federal or state elections. (Jeffery C. Mays and Annie Correal, *New York Times*)

North Carolina: The Supreme Court will consider whether the North Carolina General Assembly can intervene to defend the state's voter ID law, even though the state's attorney general is already doing so. The state legislator's challenge is procedural, arguing that state law expressly permits the General Assembly to join the case to represent the legislature's interests. However, the Fourth Circuit rejected the argument, reasoning that the legislators could only intervene if a federal court first finds the Attorney General is not adequately representing the legislature's interest. This case is the third case this term where the Court will consider procedural challenges to controversial state laws. (Kimberly Strawbridge Robinson, *Bloomberg Law*)

South Dakota: The South Dakota Supreme Court upheld a lower court's ruling that overturned an amendment to the state's constitution. The amendment, passed by 54% of voters in November 2020, would have legalized the use of recreational marijuana. However, the court held that the amendment would have violated the state's requirement that constitutional amendments address only one subject. The court reasoned that the amendment contained provisions addressing three separate subjects with distinct objects or purposes. (Steve Helber, Associated Press)