Compliance Notes - Vol. 3, Issue 44

11.03.2022

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

California: A West Covina City Council candidate filed a federal lawsuit challenging the city's $500 contribution limit for individuals giving to City Council candidates, asserting that the law violates Supreme Court precedent and that the low limit unfairly favors incumbent candidates. (Mike Sprague, *San Gabriel Valley Tribune*)

California: Councilwoman Nithya Raman introduced a motion to the Los Angeles City Council requesting the council adopt lobbying reforms presented by the city's Ethics Commission that would make lobbying efforts more transparent and limit financial ties between lobbyists and city officials. Raman also called to strengthen the commission's proposal by prohibiting lobbying entities from fundraising for and contributing to candidates and elected officials, requiring that lobbyists disclose themselves and their clients during communications with city officials, among other changes. (*Hey SoCal*)

Government Ethics & Transparency

Connecticut: An employee for Connecticut's Port Authority (CPA) was fined $750 and suspended for two days without pay for accepting hockey tickets from Seabury Maritime, a company doing business with CPA, in violation of state ethics rules. Even though the employee reported the gift before an ethics probe began and reimbursed Seabury for the cost of the tickets, the Office of State Ethics issued the fine because the reimbursement did not come within the required 30 days. Additionally, earlier this year, Seabury agreed to a $10,000 fine after the Office of State Ethics determined that in 2017 and 2019, Seabury, which CPA hired as a consultant, violated Connecticut's code of ethics for public officials when it provided gifts, meals and accommodations to port authority employees and board members. (Greg Smith*, The Day*)

New York: Leonard B. Austin, the interim vice-chair of New York's new ethics oversight panel, recently attended a campaign fundraiser supporting Assemblyman Charles Lavine's bid for re-election. While Austin attended the fundraising brunch but did not make a donation, Austin's wife attended and contributed to the assemblyman's campaign. Even though state law strictly prohibits ethics commissioners from contributing to any state-level candidate, it does not address situations where an ethics commissioner attends a campaign fundraiser and their spouse donates. (Chris Bragg, *Albany Times Union*)

Ohio: Two men pleaded guilty to state charges of telecommunications fraud for placing thousands of false robocalls to predominantly Black neighborhoods in Ohio leading up to the 2020 general election. Prosecutors say the two men were responsible for 3,500 calls warning residents in Cleveland and East Cleveland that law enforcement agencies could use information submitted in their mail-in ballots to enforce arrest warrants, collect outstanding debts and lead to forced vaccinations. The calls were part of a multi-state effort placing 85,000 calls to predominantly Black neighborhoods in Michigan, Pennsylvania, New York and Illinois. In connection with the scheme targeting Black voters, the two men also face a $5.1 million fine from the Federal Communications Commission, as well as other criminal and civil lawsuits. (Mark Gillispie, *AP News*)

Ballot Measures

Massachusetts: Groups supporting a proposed 2024 ballot question to curb super PAC spending power filed two lawsuits in Massachusetts, arguing that the state attorney general's decision to toss out the ballot question's proposed language violated the First Amendment. The proposed question would set a $5,000 limit on the amount an individual could contribute to independent expenditure political action committees, commonly known as super PACs. In September, the attorney general's office rejected the proposed ballot question's language, ruling it would violate the state's free speech protections. However, supporters of the proposed question argue that contributions to super PACs can create the appearance of corruption, and sensible dollar limits on contributions to super PACs can reduce corruption and the appearance of corruption. (Steve LeBlanc, *AP News*)