



Compliance Notes - Vol. 3, Issue 48

11.30.2022

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

Georgia: To boost his national profile, Georgia Governor Brian Kemp has filed paperwork with the Federal Election Commission (FEC) to create a federal PAC. The PAC, Hardworking Americans Inc., allows Kemp to donate to other candidates and influence races across the country, including during Republican primaries. The federal PAC also could allow Kemp to boost support for Republican Senate candidate Herschel Walker in the December 6 runoff. (Emma Hurt, *Axios*)

Massachusetts: A contractor and developer in Everett, Massachusetts has been fined \$6,000 for illegally using family members to funnel excessive campaign contributions to Mayor Carlo DeMaria's campaign

committee. Campaign finance law limits contributions to \$1,000 per candidate, per year, and prohibits donors from making contributions in the name of another. After Gregory T. Antonelli donated the maximum amount to Mayor DeMaria, he requested his sister-in-law and mother-in-law each contribute \$1,000 to the mayor. Massachusetts' Office of Campaign and Political Finance (OCPF) said that Antonelli reimbursed his relatives for the contributions made in their names. OCPF believes the Mayor's campaign committee had no knowledge that the contributions were reimbursed, and the committee agreed to disgorge \$2,000 from its funds. (Stephanie Ebbert, *The Boston Globe*)

Government Ethics & Transparency

The U.S. Supreme Court heard arguments in a pair of political bribery cases that could make it more challenging to pursue public corruption prosecutions under "honest services" fraud. The justices heard appeals from two individuals seeking to reverse bribery and fraud convictions based on cases brought by Manhattan prosecutors in 2016 to crack down on corruption in New York's state capital. The eventual ruling, expected by the end of June 2023, will impact three co-defendants charged in corruption and fraud cases related to hundred-million-dollar state contracts during former Governor Cuomo's tenure. A ruling favoring the defendants could constrain prosecutors' ability to bring certain bribery and wire fraud cases in the future. (Nate Raymond, *Reuters*)

Tennessee: Former Tennessee state senator Brian Kelsey pleaded guilty to one count of conspiracy to defraud the federal government, and another count of aiding and abetting the acceptance of excessive campaign contributions as part of a scheme to benefit his failed 2016 congressional campaign. According to court documents, Kelsey and his co-conspirator funneled more than \$90,000—the majority of which came from his State Senate campaign committee—to the American Conservative Union to purchase political advertising supporting Kelsey in the August 2016 primary election. Kelsey and others also caused the American Conservative Union to make illegal, excessive contributions to Kelsey's federal campaign committee by coordinating with the organization on advertisements supporting Kelsey and causing false contribution and expenditure reports to be filed with the FEC. Kelsey faces five years in prison and \$250,000 in fines on each count. (Department of Justice News Release)

Elections & Voting

Arizona: Amid pressure to reject a vote count that had Democrats winning the Arizona gubernatorial, U.S. Senate and other statewide races, officials in Cochise County refused to certify the 2022 election ahead of Monday's deadline. County supervisors voted to delay the official tally of votes, known as the canvass, until hearing more concerns about the certification of ballot tabulators, even though election officials have repeatedly said the tabulation equipment was properly approved. The Secretary of State's office filed a lawsuit against the county for missing the deadline to canvass the election. (Jonathan J. Cooper, AP News)