

Compliance Notes - Vol. 4, Issue 10

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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

On March 22, the Federal Election Commission (FEC) will hold a public hearing on proposed changes to regulations regarding the use of campaign funds by a candidate's principal campaign committee to pay compensation to the candidate, including salaries, health insurance premiums and dependent care costs. Current FEC regulations permit certain candidates to receive a salary from their principal campaign committee, subject to restrictions and limitations. (FEC Press Release)

Texas: The Texas Ethics Commission (TEC) issued a combined \$45,000 fine to the president and director of finance of a Houston-based political action committee (PAC) for operating without a campaign treasurer,



failing to file required financial reports and possibly selling endorsements to local candidates in violation of state election law. According to sworn complaints first filed in 2021, the TEC accused the two leaders of accepting \$20,319 in contributions and making \$15,486 in expenditures while the PAC was legally inactive because it had no campaign treasurer. The TEC placed the PAC on inactive status in 2016; since then, however, it has continued to carry out political activities. (Yilun Cheng, *Houston Chronicle*)

Government Ethics & Transparency

Florida: Florida soon could require that blogs paid to produce content about elected officials register and report that activity. State Sen. Jason Brodeur filed legislation to set up a system where bloggers covering the Governor, Lieutenant Governor, Cabinet or Legislature must register within five days of publishing any blog mentioning an elected state official. The bill also imposes reporting obligations if the blogger receives, or will receive, compensation for posting the blog. The legislation allows the state to charge fines of \$25 per day, up to \$2500, for blogs that fail to file timely reports. (Jacob Ogles, *Florida Politics*)

Legislation & Ballot Measures

Arkansas: State legislators have proposed that Arkansas ballot issue groups seeking to qualify their proposals for the ballot must obtain voter signatures from 50 counties instead of the current 15 counties. House Bill 1419 would strike the existing requirement of "at least 15 counties" and raise the requirement to 50 counties, which represents two-thirds of the state's 75 counties. Proponents of the bill argue that requiring signatures from more counties would show that a ballot issue has broader support from Arkansans. In contrast, opponents argue it's an extreme attempt to keep proposals off the ballot. (Kristin Higgins, University of Arkansas System, Division of Agriculture)