



Compliance Notes - Vol. 4, Issue 22

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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

A super PAC supporting Florida Gov. Ron DeSantis' presidential run has raised \$500,000 into a separate draft committee, which is expected to be transferred directly to DeSantis' campaign. The super PAC "Never Back Down" has been encouraging donors to contribute to "Draft DeSantis 2024 Fund," which is a "non-connected" PAC that was created in early March to hold donations until DeSantis' campaign launched. Campaign finance experts say that while the super PAC applied the proper contribution limits when soliciting the donations, the unprecedented fundraising tactic seemingly circumvents prohibitions that prevent super PACs from directly transferring funds to a campaign. (*CBS News*, Aaron Navarro)

California: SB 1439, which expanded California's pay-to-play law, survived an initial court challenge alleging that the law violates the California Constitution and the First Amendment right to freedom of speech. In a 23-page opinion, a Sacramento Superior Court judge ruled that free speech is not violated because the local elected official has options; "rather than limit speech...recusal allows more speech by effectively eliminating the contribution limit for those who recuse themselves." (*GV Wire*, David Taub)

Pennsylvania: Under legislation approved by the Allegheny County Council, candidates for county office would face limits on campaign contributions. Currently, Allegheny County imposes no restrictions on campaign donations in county-level races. The bill would impose limits that would prohibit individuals from giving candidates more than \$3,300 and political committees from giving more than \$5,000. The limitations would apply to candidates for county executive, county council members, county treasurer, controller, district attorney and sheriff and would take effect after the general election in November. (*Pittsburgh Post-Gazette*, Adam Smeltz)

Government Ethics & Transparency

The U.S. House of Representatives Ethics Committee has concluded its two-year investigation into whether Rep. Eric Swalwell (D-Calif.) violated House Rules, laws or standards of conduct concerning interactions with a suspected Chinese intelligence operative. The committee wrote in a letter to Swalwell that it would not take any further action in the investigation. (*Axios*, Ivana Saric)

Maryland: William "Chris" McCollum, a former Baltimore County deputy director of economic development, pleaded guilty to theft and perjury for embezzling more than \$140,000 from two political committees for which he served as treasurer. Between 2015 and 2020, McCollum embezzled more than \$111,000 from Friends of Cathy Bevins by depositing money directly into his personal bank account, using campaign cash to pay his credit card bill and writing checks to purported vendors. Between 2015 and 2019, he embezzled over \$31,000 from the Baltimore County Victory Slate. McCollum will appear in court for sentencing on July 31. (*The Baltimore Banner*, Dylan Segelbaum)

Elections & Voting

Arizona: A judge rejected former GOP gubernatorial candidate Kari Lake's final claim to overturn her 2022 loss to now-Governor Katie Hobbs, ruling that Lake failed to show that Maricopa County did not verify signatures in accordance with state statute or the Election Procedures Manual. The judge noted that two of Lake's witnesses demonstrated that the signature verification process did, in fact, occur. (*Axios*, Jeremy Duda)