



Compliance Notes - Vol. 4, Issue 29

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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.

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Campaign Finance & Lobbying Compliance

More than a dozen lawmakers from both parties are supporting a new bill that would close a loophole that blocked the U.S. Department of Justice from forcing casino magnate Steve Wynn to register last fall as a foreign agent of the Chinese government. The Retroactive Foreign Agents Registration Act (FARA) would specify that agents of a foreign principal have a continuing obligation to register under FARA, even after that work has ended. The bipartisan heads of the U.S. House of Representatives Select Committee on China, Mike Gallagher (R-Wis.) and Raja Krishnamoorthi (D-Ill.), are spearheading the effort, which has a companion bill in the Senate backed by Sens. Chuck Grassley (R-Iowa) and Gary Peters (D-Mich.). (Caitlin Oprysko, *POLITICO*)

New York federal prosecutors have charged Gal Luft, who has accused President Joe Biden and Hunter Biden of corruption, with failing to register as a foreign agent while working to advance the interests of China. According to the indictment, Luft paid an unnamed adviser to then-President Donald Trump to publicly support certain policies favorable to China. Federal prosecutors also allege that Luft tried to broker illicit arms deals involving China and set up meetings between Iranian representatives and a Chinese energy company to discuss oil deals. In February, Luft was arrested in connection with these charges in Cyprus but fled after he was released on bail, and he remains a fugitive. (Aaron Katersky & Lucien Bruggeman, *ABC News*)

Public Citizen is again asking the Federal Election Commission (FEC) to regulate deliberately misleading campaign communications generated using artificial intelligence. The FEC discussed the group's initial petition at its June 22 meeting; the FEC deadlocked and therefore took no action. At that time, GOP Commissioner Allen Dickerson said the FEC does not have the power to regulate such ads and called on Congress to expand the FEC's authority. It is unclear when the FEC will take up Public Citizen's petition. (Daniela Altimari, *CQ Roll Call*)

Government Ethics & Transparency

Counsel for former Congressman Jeffrey Fortenberry (R-Neb.) argued that the court must vacate Fortenberry's convictions for making false statements because he should not have been charged in the Central District of California since the "essential conduct" of the alleged offenses did not occur there. In 2022, the former congressman was convicted for making false statements in Lincoln, NE, and Washington, DC, to Los Angeles-based authorities probing illegal campaign contributions. Fortenberry's attorneys are asking the court to throw out his convictions and retry the case in either Nebraska, Washington, DC, or both. (Paul Hammel, *Nebraska Examiner*)

Florida: Citadel CEO Ken Griffin treated Miami Mayor Suarez to the Grand Prix, including attendance at a star-packed viewing party, despite Citadel having lobbyists registered in Miami and business before the city. A Citadel spokesperson said Griffin gave Suarez and his wife tickets to the Formula One Paddock Club, where Griffin hosted a private viewing party for 50 of his friends. The exclusive track-side venue reportedly charged around \$14,000 per person for general admission. Florida ethics laws prohibit elected officials from taking expensive gifts, including valuable complimentary admissions, from anyone with business in front of their city. In response to a statement that the mayor's acceptance of such largess would likely violate Florida ethics laws, Citadel's spokesperson said Suarez covered the cost of the events but refused to say when Suarez paid or how much. To comply with Florida's gift law, Suarez would have to cover the full cost of his and his wife's Formula One weekend within the 90-day grace period for repayment. (Sarah Blaskey, Tess Riski, & Joey Flechas, *Miami Herald*)