



Compliance Notes - Vol. 4, Issue 34

08.22.2023

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

The Federal Election Commission (FEC) agreed to pay the National Rifle Association (NRA) \$25,000 for hiding documents critical to the gun lobby's effort to defend itself in a costly election lawsuit. The agreement will cover NRA lawyers' costs in its Freedom of Information Act suit against the FEC. (Paul Bedard, *Washington Examiner*)

The Campaign Legal Center (CLC) filed a complaint with the FEC alleging that the PAC supporting former New Jersey Governor Chris Christie's 2024 presidential candidacy received an impermissible \$1 million contribution from a straw donor. The complaint alleges that SHBT, LLC, a domestic limited liability company

organized in Texas in June 2022, was used to conceal the true sources of a \$1 million contribution made in its name to Christie's super PAC on June 30, 2023. CLC argues SHBT, LLC could only have made the donation with money it received for that specific purpose because, according to publicly available information, SHBT, LLC holds a small real estate portfolio worth around \$7,000. The PAC's chairman stated the PAC had not broken any FEC rules and its financial reporting was in full compliance with FEC requirements. (Joey Fox, *New Jersey Globe*)

New Mexico: A federal judge struck down as unconstitutional New Mexico's contribution limits restricting the amount state political parties can contribute to political candidates and local political parties. The court prohibited the state from enforcing its \$11,000 limit per election cycle on contributions from state political parties to gubernatorial candidates or candidate committees, the \$5,500 limit per election cycle for all other candidates and the \$5,500 limit from state political parties to county parties. The court upheld other state campaign finance limits, including dismissing the challenge to the \$27,500 limit on contributions from individuals and entities to state political parties. (Colleen Heild, *Albuquerque Journal*)

Government Ethics & Transparency

Oregon: Oregon's secretary of state plans to publish monthly databases tracking information about campaign finance violations, part of the office's CLEAR initiative. It will update its website to include links to training opportunities for candidates and campaign staff and for anyone to view campaign finance information. The Oregon Government Ethics Commission handles complaints about unethical behavior by elected officials, state employees and lobbyists, and posts complaints online after initial investigations. (Julia Shumway, *Oregon Capital Chronicle*)

Elections

Arizona: An Arizona judge has rejected a bid from the Arizona Democratic Party to keep the No Labels Party off the ballot in 2024, ruling the lawsuit has no standing. Democrats claimed the presence of the third party on the ballot, "will make it more difficult to elect Democratic Party candidates." The judge also rejected the Democrat Party argument that the signed petition to get No Labels put on the ballot did not use the correct phrasing, which could have misled the signatories. The Democrats have until September 11 to amend their complaint to include new allegations that were not included in the original lawsuit. (Kayla Gallagher, *The Messenger*)