



Compliance Notes - Vol. 5, Issue 12

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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

Indiana: Political candidates in Indiana can use campaign contributions to pay for childcare expenses incurred while campaigning or in office, according to Hoosier election officials. The Indiana Election Commission issued an advisory opinion in response to a request from two Indiana state lawmakers seeking clarification on campaign finance laws. Indiana is the 31st state to determine that campaign contributions can be used for childcare expenses. (Leslie Bonilla Muñiz, *Indiana Capital Chronicle*)

Pennsylvania: State Sen. Kristin Phillips-Hill (R-Jacobus) introduced a bill that would ban all state agencies from hiring lobbyists or consultants “to influence the decision-making process of another Commonwealth

entity or agency.” The bill prohibits executive departments or agencies, the General Assembly and local departments or agencies of political subdivisions from hiring lobbyists or spending money to lobby on behalf of the commonwealth entity. Such a ban would preclude public entities, from boroughs and townships to counties and state agencies, from using a lobbying firm to plead their case for more funding. (Anthony Hennen, *The Center Square*)

Government Ethics & Transparency

Addressing free speech rights in the digital age, the U.S. Supreme Court decided on March 15, 2024, that government officials *can* sometimes be sued under the First Amendment for blocking critics on social media. In unanimous decisions in two cases from California and Michigan, the justices set a new standard for determining if public officials acted in a governmental capacity when blocking critics on social media. Under the new test, officials are considered to have engaged in governmental action if they had “actual authority to speak on behalf of the state on a particular matter” and “purported to exercise that authority in the relevant posts.” The justices threw out the lower courts’ decisions in the two cases and directed the lower courts to revisit the cases based on the new standard. (John Kruzel, *Reuters*)

Alaska: A voter-backed measure to require immediate disclosure of contributions aggregating to more than \$2,000 per year was upheld March 15, 2024, when the Ninth Circuit affirmed a federal judge’s 2022 denial of a preliminary injunction blocking it. In 2022, political donors filed for the injunction against enforcement of “Ballot Measure 2,” claiming the 2020 initiative’s burdensome disclosure rules would lead to retaliation against them for their political activity. (Alanna Mayham, *Courthouse News Service*)

Federal Legislation

A bipartisan group of U.S. House members introduced legislation on March 15, 2024 aimed at strengthening bribery laws sparked by the federal bribery charges against Sen. Bob Menendez (D-N.J.). The two-page bill would expand the definition of an “official act” — an action performed by public officials in exchange for a bribe — under the U.S. criminal code to include a recommendation, investigation or advice. The legislation is called the “Gifts for Officials, Legislators and Delegates Standard Act,” or “GOLD Standard Act” for short, and is a play on allegations that Menendez took bribes in the form of gold bars. (Andrew Solender, *Axios*)