



Compliance Notes - Vol. 5, Issue 14

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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

The Federal Election Commission approved a Notice of Proposed Rulemaking regarding candidate security on March 27, 2024. The rule would codify several Commission advisory opinions that authorized using campaign funds to pay for certain security measures and address additional issues raised in those advisory opinions. Commenters are encouraged to submit comments via the Commission's website by the deadline, which will be 60 days after the Notice is published in the *Federal Register*. (FEC Press Release and Draft NPRM for REG 2024-01 (Candidate Security))

Colorado: Colorado's appeals court ruled that a group that spent \$4 million supporting conservative causes on the ballot in 2020 must disclose its contributions and spending and pay a \$40,000 fine for failing to register as an advocacy group. A trial judge previously ruled that Unite for Colorado was not subject to the registration and disclosure requirement because its \$4 million spent across multiple ballot initiatives was not substantial enough when broken down issue-by-issue. However, the three-judge panel rejected the argument that the group could spend millions of dollars on ballot measures and still be shielded from the requirement to register and disclose. The panel also rejected the group's argument that compelling it to follow campaign finance law would violate its First Amendment rights. (Michael Karlik, *Colorado Politics & Colorado Freedom of Information Coalition*)

Government Ethics & Transparency

Pennsylvania: Under a bill advancing through the House, 501(c)(4) organizations would be required to disclose election spending in Pennsylvania. Another bill would require legislative candidates to more frequently disclose which people and groups donate to their campaigns. Collectively, the bills would make small changes to the state's lax campaign finance laws, which put no limit on the amount of money donors can give candidates and political committees. The bills now move to the state House floor, where they could be amended or voted on by the full body. (Stephen Caruso, *90.5 WESA*)

Ohio: Imprisoned ex-Ohio Speaker Larry Householder is facing new charges alleging he unlawfully used campaign funds to pay his criminal defense fees in the federal bribery cases surrounding the passage of bailout legislation in 2019. Prosecutors also allege he lied on state ethics forms that require candidates and officeholders to disclose their earnings, assets and liabilities. When announcing these state charges on March 25, 2024, Attorney General Dave Yost noted that a state conviction would permanently bar Householder from ever holding public office again. Householder is currently serving 20 years in federal prison after a jury convicted him of accepting a multimillion dollar bribe from two FirstEnergy executives in exchange for passing House Bill 6. (Jake Zuckerman, *Cleveland.com*)