



Compliance Notes - Vol. 5, Issue 17

04.25.2024

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 GOP political operative's conviction over steering illegal Russian contributions to former President Trump's 2016 campaign was upheld by a federal appeals court on Friday. The District of Columbia Circuit Court of Appeals rejected the appeal of Jesse Benton, a veteran political operative, who was convicted in late 2022. Benton had been charged with helping to orchestrate an illegal donation to the Trump campaign and the Republican National Committee for a Russian national, Roman Vasilenko. Benton had been pardoned in an unrelated case by Trump and argued that the pardon should have prohibited the jury from hearing about his previous election crimes before deciding to convict him with new ones. Benton also asserted that he was improperly charged, saying it should be under campaign finance laws, not falsifying records statutes. The

court rejected both arguments. (Filip Timotija, *The Hill*)

Former Republican Congressman David Rivera took his fight against a six-figure campaign finance penalty to the 11th Circuit, urging the panel to let a jury decide whether he made campaign contributions in another person's name to undermine a Democrat rival in a Florida election. Rivera was accused of secretly directing more than \$75,000 to Democrat primary candidate Justin Sternad to weaken the campaign of Rivera's Democrat opponent, Joe Garcia. Rivera's attorney argued that a Miami federal judge ignored conflicting evidence in siding with the Federal Election Commission (FEC) and ordering Rivera to pay a \$456,000 fine for violating the Federal Election Campaign Act. Rivera's attorney also said the FEC failed to satisfy some of the law's requirements in pursuing what was the largest civil penalty ever imposed by the agency on a non-corporate individual. The panel did not indicate when it would rule. (Kayla Goggin, *Courthouse News Service*)

Government Ethics & Transparency

Michigan: The Michigan House is debating a one-year cooling-off period before certain public officials leaving office could become lobbyists. Attorney General Dana Nessel and Secretary of State Jocelyn Benson testified in support of the two bills, which are part of a larger, seven-bill transparency package from House Democrats called the BRITE Act. The proposed cooling-off period would apply to the governor, lieutenant governor, secretary of state, attorney general and any member of the Legislature looking to leave office and immediately become a lobbyist. The other bill debated in the committee would enable the secretary of state to seek a court order to stop alleged campaign finance violations once a complaint is filed. Committee members did not vote on the legislation at the hearing on Thursday, April 18, 2024. (Jordyn Hermani, *Bridge Michigan*)

Missouri: A Missouri ethics panel is at an impasse over reported misconduct by the state's House Speaker, who allegedly used his office to stymie an investigation into his actions. A draft of the Ethics Committee report recommended that the House formally denounce actions taken by Republican Speaker Dean Plocher that "substantially impair public confidence in the General Assembly." At issue are complaints that last year, Plocher tried to use his influence as speaker to get the House to contract with a company for a new constituent services program. Committee members voted 6-2 against the report but made it publicly available Monday, April 22, 2024. Another Ethics Committee hearing is scheduled for Wednesday. (Summer Ballentine, *AP News*)

Legislation & Elections

New York: New York plans to enact restrictions on phony election materials manipulated by artificial intelligence (AI), according to Assembly Elections Chair Latrice Walker (D). The legislation would require political candidates and campaigns to include a disclaimer with any political communications that use AI. Walker said the legislation, which would be included in the state budget, also would allow people to get related attorneys fees and costs. The exact wording is still being hammered out ahead of the introduction of legislative language. (Zach Williams, *BGOV*)