



# Compliance Notes - Vol. 5, Issue 18

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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**

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A complaint filed with the Federal Election Commission (FEC) alleges former president Donald Trump's 2024 White House campaign and its related political committees engaged in a scheme to conceal who is being paid for much of the former president's legal work in a possible violation of federal law. The complaint filed by the Campaign Legal Center, a nonprofit government watchdog, centers on a company called Red Curve Solutions. According to a CLC press release, Red Curve Solutions allegedly received \$7.2 million from Trump's campaign and four other related political committees between December 7, 2022, and March 18, 2024. According to the company's LinkedIn page, Red Curve Solutions helps political campaigns with various services, including "comprehensive budgeting, accounting and financial management and

compliance services." While virtually all of the payments from Trump's campaign and committees are described as "Reimbursement for Legal Fees" or "Reimbursement for Legal Expenses," Red Curve "does not appear to offer any legal services," according to CLC's release. This type of arrangement would prohibit the public from knowing which law firms are being paid for much of Trump's legal work and how much, CLC argues, and also may violate a federal prohibition on corporate political contributions. (Zac Anderson, *USA TODAY*)

The FEC fined the campaign fund of former Illinois congressman Rodney Davis \$43,475 for failing to refund excess contributions in a timely manner. A letter from the FEC this month reports the fine against Davis' campaign committee, Rodney for Congress, and its treasurer, Thomas Charles Datwyler, for the violations that occurred during the 2021-2022 election cycle. For that cycle, federal campaign finance law prohibited contributions of more than \$2,900 per election from an individual or single-candidate political committee and \$5,000 per election from a multicandidate committee. Excess contributions must be refunded or redesignated within 60 days. In a negotiated settlement with Davis' committee and Datwyler, the FEC found that one contribution of \$3,625 and general election contributions of \$479,784 were not properly redistributed within 60 days, resulting in the fine. (John O'connor, *AP News*)

**Maryland:** The Maryland Board of Elections ordered Baltimore City Council President Nick Mosby to return potential "excessive contributions" from Baltimore Gas & Electric (BGE) and correct the street addresses of more than two dozen contributors. Last week, the Elections Board sent the Mosby campaign a letter stating that a reported \$9,281.94 electronic transfer from BGE's political action committee to Mosby was "identified [as] a potential excessive contribution" in violation of state law, which limits corporate and PAC donations to \$6,000 per election cycle. The Election's Board also demanded the committee send to its Audit and Enforcement Unit "all receipts, disbursements and bank statements to support report filings" within 30 days of its filed reports. (Mark Reutter, *Baltimore Brew*)

## Legislation & Elections

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**Nebraska:** The week of April 21st, Nebraska reinstated the voting rights of approximately 7,000 individuals who had completed their felony sentences after legislation abolishing the nation's only two-year waiting period became law. The bill, sponsored by Democratic state Senator Justin Wayne of Omaha, passed with broad bipartisan support and will allow formerly incarcerated voters to cast a ballot in the upcoming general election on November 5, 2024. Starting July 18, 2024, Nebraskans who have completed a felony sentence can register to vote without delay after they have ended their incarceration and probation, satisfied any other court requirements, and remained conviction-free. (Maya Marchel Hoff, *USA TODAY*)