



The Saga of the Ever-Changing State Political Laws

February 16, 2016

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Chicago | Indianapolis | Madison | Milwaukee | Naples | Phoenix | Tampa | Tucson | Washington, D.C.

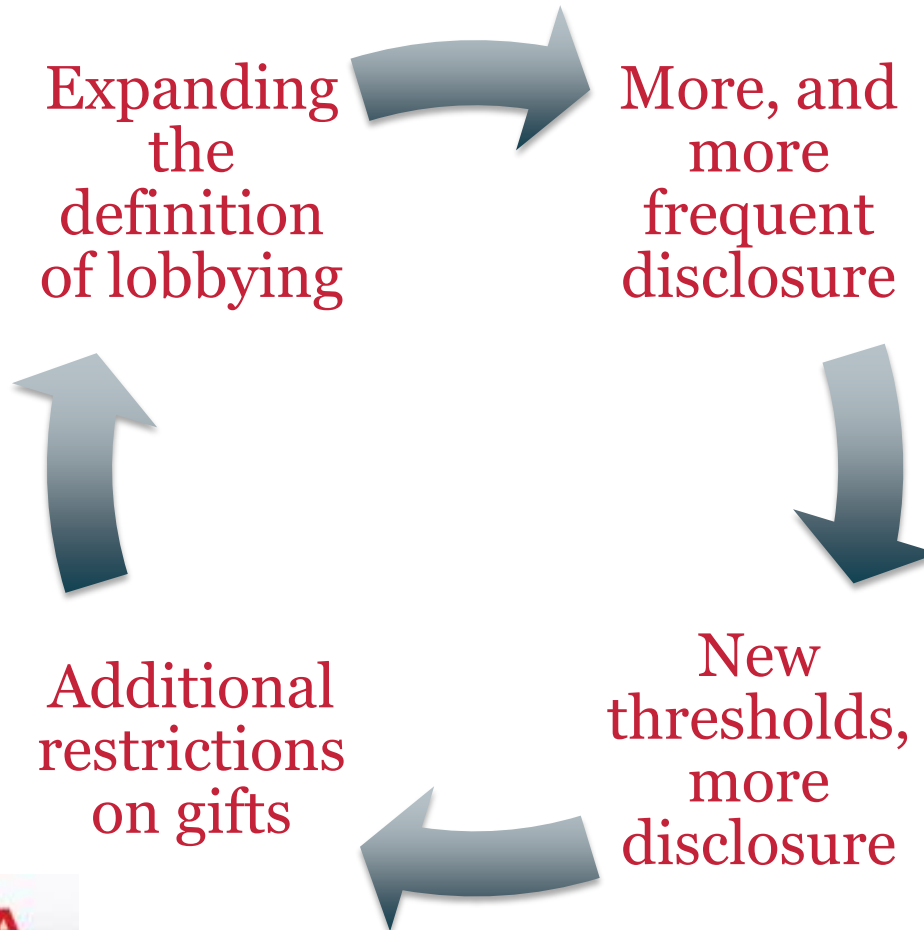
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I. Overview

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Trending Changes





II. Lobbying

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What to Look for with Registration Laws

Intent

- What do you intend to do?

Audience

- Who are you directing your action at?

Method

- How are you conveying your message?

Time

- How long are you acting?

Expenditure

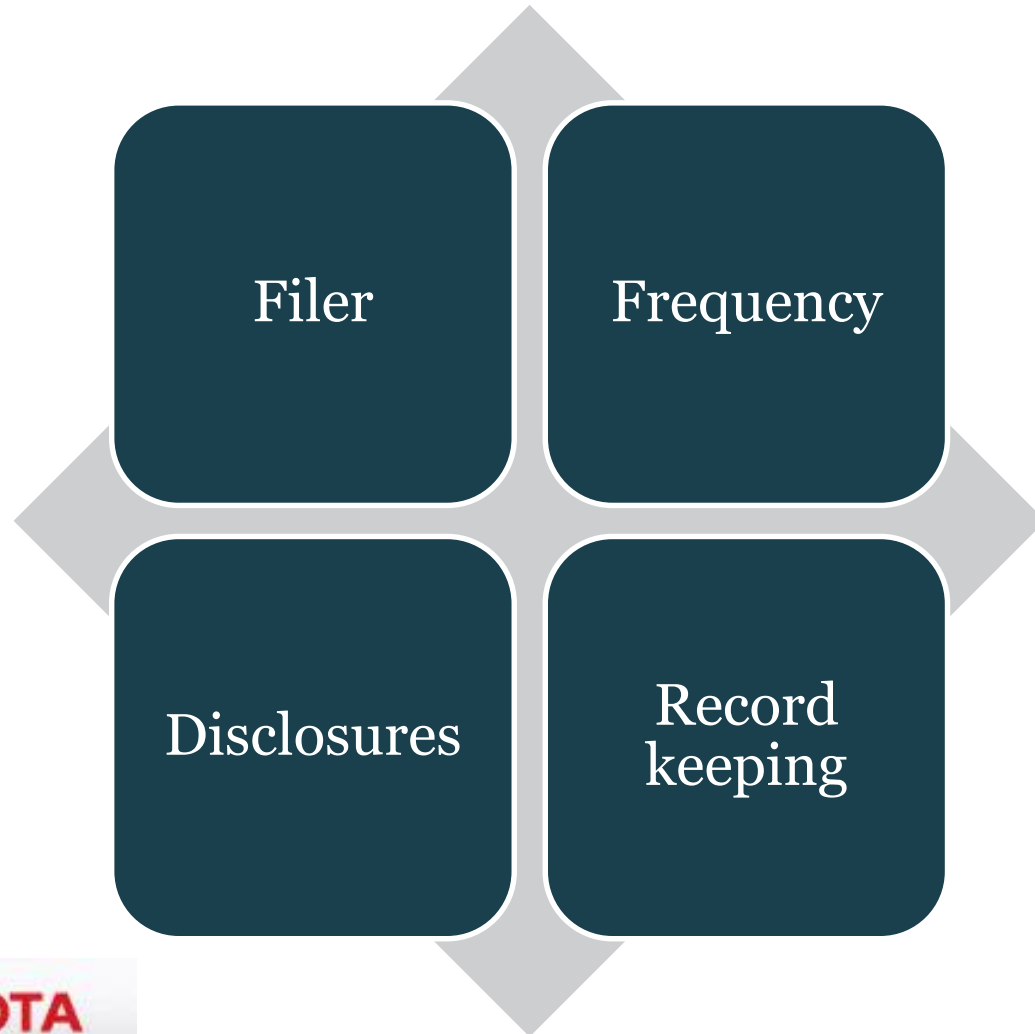
- Are you spending money?

Exceptions

- Does an exception apply?



What to Look for with Reporting Laws



Lobbying: Changes in State Law

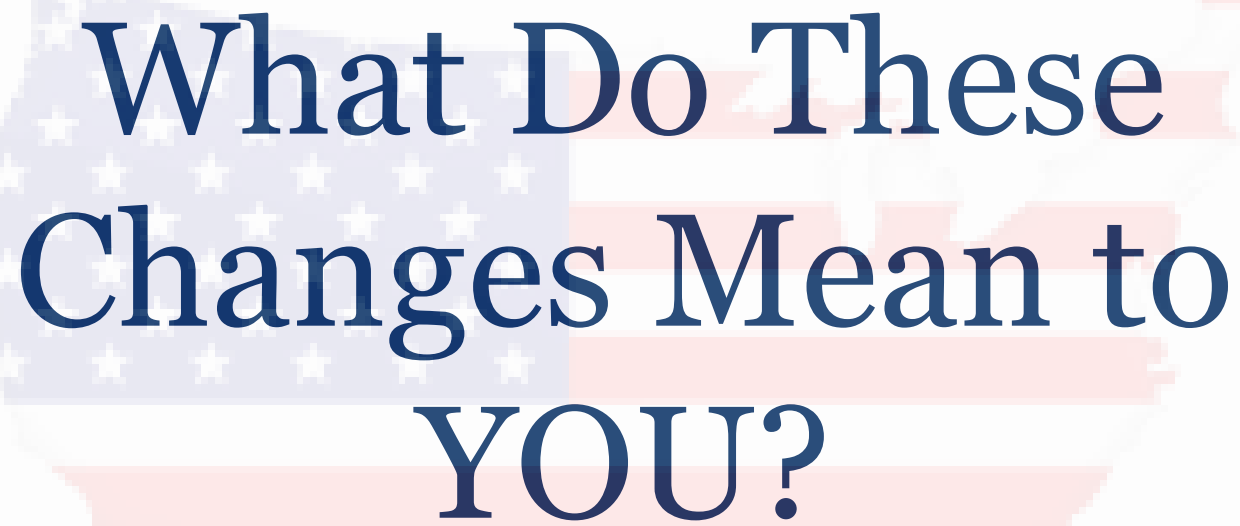
- AR: lobbyist revolving door prohibition extended to two years
- CO: a lobbyist in a single person firm may file one monthly disclosure report; subcontractors must be reported by lobbyists; and clarifies lawyers who lobby have the same requirements as non-attorneys.
- CT: registration threshold raised to \$3,000

- MN: eliminates filing grace period
- TX: codifies goodwill for the purpose of later lobbying, is in fact lobbying. A person who exceeds compensation and expenditure threshold is not required to register if they lobby less than 26 hours in a quarter. 8 hour per day max toward threshold, regardless of hours spent lobbying in one day.
- UT: gift exceptions for events, tours, and meetings



- OK: created three separate type of lobbyists, reporting frequency increased and now scheduled by type of lobbyist
- DE: late fees imposed for late lobbying reports
- KS: lobbying registration threshold increased to \$1,000 in aggregate expenditures
- VT: reporting frequency increased to seven times per year, from three





What Do These Changes Mean to YOU?





III. Ethics

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What to Look for with Ethics/Gifts Laws

Permissibility



Limitations



Reporting



Gifts/Ethics: Changes in State Law

- AR: gifts to senior state officials from lobbyists and principals are now banned
- CA: gifts the benefit the government agency are not behested , even if request by an official
- IN: gift reporting laws amended to include members of a legislator's immediate family



- NV: gift provisions now exempt educational materials and informational events, but they must still be reported
- OK: spending limit increased to \$500 per lobbyist and limited to meals
- VA: gifts limited to \$100 aggregate per lobbyist, under \$20 is not a gift, and exceptions for widely attended event, event related to the performance of official duties or as a speaker at an event

What Do These Changes Mean to YOU?





IV. Campaign Finance

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What to Look for with Campaign Finance Laws

Permissibility

- Direct contribution
- PAC
- Personal/individual only
- Not permitted at all
- Not permitted from lobbyist
- Public funding of campaigns only

Limitations

- Amount
- Source
- Timing
- Delivery

Reportability

- Contributor reports
- Recipient reports
- Both report
- Timing (changes with session and/or election)
- Transmittal letters

Pay to Play

- Comes into play if contracted to do business with a state



Campaign Finance: Overall Trends

- Defining or redefining independent expenditures
- Adoption of “clean elections” in a renewed interest in publicly funded elections
- Disclosure of “dark money” remains a focus
- Increase in threshold for registration of a committee
- Increase in frequency of disclosure, especially close to an election date
- New or higher penalties for late or missing filings
- Increase in contribution limits

Campaign Finance: Changes in State Law

- AZ: session ban now excludes the first three days of session if postmarked/mailed before session, contribution limits refined to an election cycle instead of per election and increases the limits
- DE: surplus finds can be given to the county political party



- CA: In-home fundraisers by lobbyists and lobbyist employers are banned if hosted for a candidate being lobbied. Enacted presumptive standard for independent expenditures.
- ME: candidates electing Clean Elections, may not maintain a PAC
- VT: bans lobbyist/principal contributions to legislative leadership committees



- HI: changes disclosure requirements for IE, including requiring reporting of the internet address where the contributing entity's disclosure report can be accessed
- IN: will not require the “magic words” in order to be prohibited for falsely representing a candidate
- IA: IE committees do not need to register as such, as long as proper disclosures are filed



- MD: inaugural committee must report, lobbyist disclosures include IE and Super PAC contributions
- NE: committees may need to file bank statements
- RI: committees may need to file bank statements
- NM: complete overhaul of campaign finance statutes
- TX: reports “in progress” are not subject to public disclosure



- WI: the state had the most significant number of changes in the entire chapter of the campaign finance laws. This major overhaul of all campaign finance law, included allowing corporation contributions to political parties' administrative accounts. Contribution limits were increased significantly. Independent expenditures redefined and definition of “political purpose” was redefined to be less restrictive.



V. Pay-to-Play

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The Rise and Possibly the Fall of P2P

New Jersey:

Be aware and beware. Major, aggressive changes proposed again.

Clarifies that the P2P law does not apply to a contribution made to a party's federal account.

Connecticut:



Pay-to-Play Trends

- Frequent changes, especially at the municipal level
- Variance in penalties
- Increasing trend to require binding certifications at the time of contracting, which may not be communicated to government affairs or the prohibited contributors



Pay-to-Play: Changes in State Law

- MD: expanded the obligations of state/local government contractors to report political contributions, and their subsidiaries, officers, directors, partners, & PACs. Contractors must disclose contributions made to independent expenditure groups/parties that are "for the benefit" of covered candidates.
- VA: procurement activity added to the definition of lobbying, with few exceptions.





What Do These Changes Mean to YOU?



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VI. Compliance Practices

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Why Does it Matter?



Former state ethics commissioner hit with \$2,500 ethics violation

By Rafael Guerrero and Clout Street | January 29, 2013
SPRINGFIELD - A former commissioner of the state's executive ethics panel got slapped with a \$2,500 fine for participating in a political event - a violation of the very standards he oversaw. Stephen Thurston's fine was revealed in a commission report released Tuesday. The 60-year-old from Olympia Fields was appointed by former Gov. Rod Blagojevich in November 2008. In March 2011, Thurston attended a prayer breakfast at First Greater Bethlehem M.B. Church...

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Ethics Commission fines lobbyists for failure to file expense reports

By Megan Henney
Monday, July 7, 2014, 8:45 p.m.

The Pennsylvania State Ethics Commission on Monday announced it fined Voyager Jet Center of West Mifflin and Pennsylvania Distributors Association Inc. of Harrisburg for failing to file expense reports under the state's lobbying disclosure law.

It fined Voyager Jet Center \$3,150 and the Distributors Association \$1,300. Rob Caruso, executive director for the commission, said Voyager's fine was higher because it was in violation of the law longer. Both eventually filed reports.

No one from Voyager could be reached for comment. Gerald Kupris, president of the Distributors Association, declined comment.

Both had received a warning from the commission, which gave them 30 days to file their reports with no consequences, Caruso said.

"We don't know why companies' lobbying groups don't file after they get the warning notice," Caruso said. "There would be no penalty imposed."

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CIA Insider Warns "2nd Great Depression is Coming"

Many inside the U.S. intelligence community fear a single flashpoint could soon sink America into "The 25-Year Great Depression" [Click Here to See Why](#)

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Politics

Lobbyist faces \$5 million fine for allegedly failing to file disclosure reports



By Holly Yeager March 18 [Follow @hollyy](#)

Federal prosecutors have charged a lobbyist and his Alexandria firm with violating federal lobbying law by failing to submit dozens of disclosure reports, a rare legal move that could carry a fine of as much as \$5.2 million.

The civil complaint, filed by the U.S. Attorney's Office for the District of Columbia, alleges that Alan Mauk and his firm, Alan Mauk Associates, did not file required quarterly lobbying reports at least 13 times between 2009 and 2013. They are also charged with failing to file semi-annual reports on

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Mallory pleads guilty to ethics violations

Chrissie Thompson, cthompson@enquirer.com 3 p.m. EDT October 29, 2014



(Photo: The Enquirer/Chrissie Thompson)

100 CONNECT 16 TWEET 13 LINKEDIN COMMENT EMAIL MORE

COLUMBUS -- State Rep. Dale Mallory pleaded guilty Wednesday morning to [breaking ethics laws](#), a crime that could cost him up to \$1,250 in fines.

Mallory, D-West End, admitted to taking Bengals tickets in 2009 and 2013 from lobbyists, then failed to report the 2009 tickets on required state disclosure forms -- a first-degree misdemeanor. In addition, the cost of the tickets exceeded lawmakers' \$75 legal limit for gifts from lobbyists -- a fourth-degree misdemeanor.

Both of the charges come with the possibility of jail time, but Franklin County Common Pleas Judge Patrick Sheeran indicated he was leaning toward sentencing Mallory only to probation because he lacks a prior criminal record. Sentencing is scheduled for Dec. 11.

Good Compliance Practices



Tips for Good Recordkeeping

Understand
reporting
requirements

Notify
responsible
persons IN
ADVANCE

Leave
sufficient time
for report
preparation





What Does this
Mean to YOU?



Quarles & Brady LLP



Questions?



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