



M U L T I S T A T E

[Kat Sullivan sues JCOPE over lobbying allegations](#)

Kat Sullivan, the alleged rape victim who has been extensively targeted by state ethics regulators for failing to register as a lobbyist, has filed a lawsuit arguing that she never conducted lobby work and that the law under which she's being pursued is unconstitutional.

The lawsuit, filed Wednesday in state Supreme Court in Albany, alleges that the state Joint Commission on Public Ethics is conducting an "improper and abusive" investigation into Sullivan over her efforts to raise awareness about sexual assault and support for passing the Child Victim's Act in 2018.

"The commission's investigation epitomizes government overreach and abuse," the lawsuit states.

Sullivan says she was not a lobbyist and was working only to raise a awareness of the issue on her own behalf, and that she did not stand to personally benefit financially from the law's passage. She argues she should not be subject to the extensive requirements imposed by JCOPE on professional lobbyists.

Sullivan's lawsuit challenges JCOPE to prove in state court that the definition of "lobbying" it's applying in her case adheres to state law. She also is challenging whether the underlying law is valid.

"For exercising her free speech rights, Ms. Sullivan now lives under the threat of being assessed massive civil penalties by the commission for not meeting its unconstitutional registering and reporting requirements," wrote her attorney, Cameron Macdonald. "The commission has ignored Ms. Sullivan's responses, failed to explain in any detail its position, and harassed Ms. Sullivan with letters, emails and telephone calls for more than a year."

Macdonald is executive director of the Government Justice Center, a right-leaning, Albany-based nonprofit that pursues pro bono litigation on behalf of New Yorkers being

targeted by the government. Besides JCOPE, the lawsuit also names its chairman, attorney Michael Rozen, as a respondent.

The Child Victim's Act, which finally passed this year after a decade-long battle, included a one-year period for victims of past child abuse to file claims that had previously been blocked by the statute of limitations.

Sullivan, who claims she was raped by one of her teachers at Troy's Emma Willard School, spent a portion of a settlement she reached with the school in 2016 to advocate last year for the passage of the Child Victim's Act. That effort included posting advertisements — on billboards and a banner towed behind a small plane flown over the Capitol — that urged the Legislature and Cuomo to pass the legislation.

Meanwhile, more than a month ago, Sullivan also sent a letter to Gov. Andrew M. Cuomo — who appoints six of the 14 JCOPE commissioners — about her situation.

“I am suffering at the hands of JCOPE and your appointee as its chairman, Michael K. Rozen,” Sullivan wrote to Cuomo. “My current and continued suffering doesn't need to be in vain if it helps bring about a new day of safety, justice, and ethics. I desperately need your help to usher in that new day. Twenty years-ago there was no one who would stand up and help me. Today, I need you to be my ethical bodyguard and stop my revictimization. Will you help me, Governor Cuomo?”

Sullivan says she has not gotten any response from Cuomo.

“The Cuomo administration led and won the fight to pass the Child Victims Act and extend the statute of limitation for second and third degree rape and the only facts we have in this case are based on media reports, but if they are correct, there are greater matters that JCOPE should be focused on,” said Caitlin Girourad, a spokeswoman for the governor.

Sullivan never personally lobbied any lawmaker and none of the other actions were lobbying as defined by the United States Supreme Court, her lawsuit contends. She contends that JCOPE has not specified in its interactions with Sullivan how her activities meet the definition of lobbying.

In June 2018, JCOPE began investigating whether Sullivan's advocacy violated the \$5,000 annual threshold requiring her to register as a lobbyist in New York. Sullivan has countered that the assertion unlawfully infringes on her First Amendment rights, asserting that because she'd settled with Emma Willard in 2016, she never stood to financially benefit from the new law.

More legally uncertain than the state law are a set of sweeping regulations that JCOPE passed in 2018. Those regulations include a broad definition of so-called “grassroots lobbying” – campaigns meant to influence public opinion without directly lobbying lawmakers – and which could be integral in Sullivan’s case.

In late 2018, JCOPE was sued by attorney David Grandeau, the state’s former top lobbying regulator, who argued that the sweeping JCOPE regulations were illegal because they were not authorized by any state law passed by the Legislature. JCOPE settled with Grandeau and agreed that his clients in that matter would not be pursued under the strictures of the new regulations, but rather, the much less specific state lobbying law. Since then, the new regulations, including those detailing grassroots lobbying, have not yet been tested by any ruling court – but may now face scrutiny because of Sullivan’s case. Grandeau has also worked pro bono on behalf of Sullivan.

JCOPE, which has rarely targeted powerful lawmakers, top aides or lobbyists since its founding in 2011, has aggressively pursued Sullivan with a steady stream of letters, calls and emails. More recently, JCOPE subpoenaed the vendors that Sullivan used during her 2018 efforts, including the company that sold her digital billboards along Interstate 787.

Sullivan faces fines of up to \$25,000 per violation, and the potential of committing a misdemeanor violation, she said.

A JCOPE spokesman declined to comment. But the chairman of the ethics panel, Rozen, did recently offer a response about the matter to two concerned state lawmakers.

The two Democrats, Long Island Assemblyman Charles Lavine and Manhattan Assemblywoman Helen Rosenthal, wrote a letter to Rozen urging JCOPE to “reconsider” its case against Sullivan, as well as its approach generally to individuals asserting their free speech rights so the panel would not be a “barrier to democracy.”

In a response letter, Rozen defended the investigation and stated that “JCOPE cannot pick and choose who is covered out of sympathy or hostility.”

Yet, in fact, JCOPE has sometimes ignored the law concerning certain people. That included ignoring a legal requirement to conduct a preliminary investigation last year into former top Cuomo aide, Joe Percoco, after two sworn complaints alleging law-breaking were filed with the commission. Critics of JCOPE have long criticized the panel’s alleged lack of independence from the Cuomo administration.

The letters between the Assembly members and JCOPE were first reported by the New York Post. While the letter from JCOPE was signed by 12 of its commissioners including Rozen, it was not signed by Julia Garcia, who had been an appointee of Assembly Speaker Carl Heastie.

Garcia, a former Essex County district attorney, is running for state Supreme Court and recently resigned from JCOPE.

California Campaign Fundraiser Agrees To Plead Guilty To Falsifying Records to Conceal Work as Foreign Agent

Federal prosecutors Tuesday filed a criminal case charging Imaad Shah Zuberi, a Southern California campaign fundraiser, with falsifying records to conceal his work as a foreign agent while lobbying high-level U.S. government officials. The criminal charges allege that Zuberi engaged in lobbying efforts that earned him millions of dollars, most of which was pilfered from his clients, and Zuberi has agreed to plead guilty to those charges at a later date, pursuant to a plea agreement.

“This case should deter individuals who seek to provide false statements to the Department and covertly influence our political process on behalf of foreign governments,” said Assistant Attorney General of National Security John C. Demers. “Through misrepresentations in his FARA filing, Mr. Zuberi attempted to deceive our elected officials and the American public on behalf of Sri Lanka. The Department of Justice treats these crimes with the gravity that they deserve and will continue to aggressively identify, investigate and prosecute FARA violations.”

“Mr. Zuberi’s multi-faceted scheme allowed him to line his pockets by concealing the fact that he was representing foreign clients, obtaining access for clients by making a long series of illegal contributions, and skimming money paid by his clients,” said United States Attorney Nick Hanna. “Mr. Zuberi circumvented laws designed to insulate U.S. policy and our election process from foreign intervention. This investigation has halted his illegal conduct, will result in several felony convictions, and could send him to prison for a lengthy period of time.”

“American influence is not for sale,” said Paul Delacourt, the Assistant Director in Charge of the FBI’s Los Angeles Field Office. “Mr. Zuberi lured individuals who were seeking political influence in violation of U.S. law, and in the process, enriched himself by defrauding those with whom he interacted.”

“Mr. Zuberi was the primary organizer of paid political efforts to mold the opinion of political officials, including members of Congress, to benefit Sri Lanka. Instead, he used shell business entities to divert millions of dollars for his own personal use,” stated Special Agent in Charge

Ryan L. Korner of IRS Criminal Investigation's Los Angeles Field Office. "Today's announcement of Mr. Zuberi's anticipated guilty plea to tax and campaign finance violations demonstrates IRS-CI's continued commitment to work alongside our federal law enforcement partners to ensure the system remains fair for everyone."

In addition to violating the Foreign Agents Registration Act (FARA), Zuberi is charged in a criminal information with tax evasion and making almost \$1 million in illegal campaign contributions that included funneling money from foreign entities and individuals to influence U.S. elections.

Zuberi, a 49-year-old resident of Arcadia, California, has agreed to plead guilty to the three counts in the information. A plea agreement also filed today in United States District Court notes that Zuberi faces a statutory maximum sentence of 15 years in federal prison once he pleads guilty to the charges.

Zuberi, who operated a venture capital firm called Avenue Ventures, solicited foreign nationals and representatives of foreign governments with claims he could use his influence in Washington, D.C. to change United States foreign policy and create business opportunities for his clients and himself. According to court documents, clients gave Zuberi money for consulting fees, to make investments, or to fund campaign contributions. As part of his efforts to influence public policy, Zuberi hired lobbyists, retained public relations professionals and made campaign contributions – which gave him access to high-level U.S. officials, some of whom took action in support of his clients. As evidence of his access and influence, Zuberi distributed to his clients photographs of himself discussing policy with elected officials.

While some U.S. officials were willing to take action on issues Zuberi put forward, most of Zuberi's business efforts were unsuccessful and his clients suffered significant losses. Many of the lobbyists, public relations consultants, and other subcontractors also suffered losses when Zuberi refused to pay them, according to the information. Zuberi, on the other hand, became wealthy, primarily as the result of fraudulent representations about his background, influence, and the use of client funds, much of which constituted an "outright conversion of client money for defendant Zuberi's own personal benefit," the information states.

The information details dozens of illegal campaign contributions – including those paid by Zuberi using the names of other people, "conduit contributions" made by others that Zuberi reimbursed, and contributions to U.S. political campaigns that were financed by foreign entities and individuals.

The information further states that Zuberi accepted money from two foreign companies with promises that the funds would be used to contribute to political campaigns, but Zuberi took the vast majority of the money – more than \$1.1 million – for his own personal use.

The information details other aspects of Zuberi's scheme through which he personally profited. Zuberi mounted efforts to convince the government of Bahrain to lift sanctions on a citizen of Bahrain in connection with the development of a large resort in that country. The scheme falsely created the appearance that Avenue Ventures had made a major investment in the Bahrain project. Zuberi lobbied members of Congress to apply political pressure on Bahrain to cease its interference in the project, claiming that it was adversely affecting him as a U.S. investor. In fact, Zuberi designed these efforts to assist the citizen of Bahrain. Zuberi illegally received compensation for these efforts because he failed to register as a foreign agent of the Bahraini citizen.

Zuberi also converted to his own benefit money invested in U.S. Cares, a company established to export humanitarian items to Iran, according to the information. In 2013 and 2014, investors put approximately \$7 million into U.S. Cares, but Zuberi used over 90 percent of the investor funds for his personal benefit – to purchase real estate, pay down mortgages, remodel properties, invest in brokerage accounts, donate \$250,000 to a non-profit organization established by a former high-ranking elected official, and pay down personal credit card debt, according to court documents.

In 2014, Zuberi entered into a contract with the government of Sri Lanka to rehabilitate Sri Lanka's image in the United States, which had suffered as a result of allegations of persecution of the country's minority Tamil population. Zuberi promised to make substantial expenditures on lobbying efforts, legal expenses and media buys, which prompted Sri Lanka to agree to pay Zuberi a total of \$8.5 million over the course of six months in 2014. According to court documents, days after Sri Lanka made an initial payment of \$3.5 million, Zuberi transferred \$1.6 million into his personal brokerage accounts and used another \$1.5 million to purchase real estate.

The information alleges that Sri Lanka wired a total of \$6.5 million pursuant to the contract, and Zuberi directed more than \$5.65 million of that money to the benefit of himself and his spouse. Zuberi paid less than \$850,000 to lobbyists, public relations firms and law firms, and certain subcontractors did not receive full payment after Zuberi falsely claimed that Sri Lanka had not provided sufficient funds to pay invoices, according to the information.

In relation to the FARA charge in the information, Zuberi agreed to plead guilty to submitting false registration statements in which he concealed his direction of the Sri Lanka lobbying effort, as well as the millions of dollars he received.

In relation to the tax charge in the information, Zuberi agreed to plead guilty to one count of tax evasion for failing to report on his 2014 tax return millions of dollars in income he received from Sri Lanka. While the 2014 income tax return claimed income of \$558,233, Zuberi failed to report more than \$5.65 million he received in relation to the Sri Lanka lobbying effort. Zuberi admits in his plea agreement that his tax evasion over the course of four years – 2012 through 2015 – caused tax losses of at least \$3.5 million and as much as \$9.5 million.

In relation to the campaign finance charge, Zuberi agreed to plead guilty to a charge of violating the Federal Election Campaign Act in 2015 by making conduit contributions in the names of other people, reimbursing contributions made by others, and being reimbursed for contributions he made. In his plea agreement, Zuberi admits that over a five-year period – 2012 through 2016 – he made or solicited more than \$250,000 in illegal campaign contributions.

Zuberi is expected to make his initial appearance in this case in United States District Court on October 30.

This matter is being investigated by the FBI and IRS Criminal Investigation.

This case is being prosecuted by Assistant United States Attorneys Daniel J. O'Brien and Elisa Fernandez of the Public Corruption and Civil Rights Section with support from the Counterintelligence and Export Control Section of the National Security Division.

[Many in favor of public campaign financing in N.Y. – but disagree on fusion voting](#)

With descriptions ranging from bold to shameful, nearly two dozen speakers Tuesday captured the attention of a state commission that will make recommendations that could alter state elections to the greatest extent in generations.

The Public Financing of Elections Commission came to Buffalo to hold the last of four hearings across the state – gathering input on how the state could implement a public campaign finance system that would enable more candidates to run for public office without being dependent on corporations and other big-money donors to finance runs for office.

"Publicly financed elections, with a lower cap on individual donations, will help restore voter confidence in the officials elected to represent the will of their communities," said Buffalo Mayor Byron Brown.

He, and a majority of other speakers who attended the three-hour hearing, expressed support for having a system where candidates for elected office could opt to participate in a public campaign financing system that would provide a certain level of matching public dollars for small-donor contributions.

Speakers who represented good government groups, liberal and racial equity organizations, as well as Democratic leadership, lobbied for a system that would lower the upper limit of campaign contributions from donors and provide candidates a greater proportion of public matching contributions for small individual donations.

Many urged the commission to push for an independent enforcement agency to ensure candidates follow campaign finance rules.

Some want the state to reduce or eliminate contributions from lobbyists and contractors doing business with the state.

Community activists said the public financing of election campaigns will enable more candidates with diverse backgrounds to compete with the wealthy elite in representing public interests.

"This is the democracy we're advocating for today," said Gamileh Jamil, director of upstate advocacy for the New York Immigration Coalition.

State Republican Chairman Nicholas Langworthy and Republican Assemblyman Michael Norris, of Lockport, who spoke out against the public financing measure, said it was wrong for the state to divert public money for political mailers when the cash-strapped state is still hunting for more money to cover other critical needs. Langworthy called the measure "welfare for politicians."

"It is evident that the work of this commission is a fait accompli," Langworthy said. "It defies credulity to suggest that Andrew Cuomo, who has amassed a \$100 million war chest – more than any governor in the country – from those who have business before the state, suddenly cared about eliminating money from politics."

The issue of public campaign financing drew less heat than the state commission's additional role in making recommendations regarding the practice of fusion voting, in which major and minor parties can list the same political candidate on multiple ballot lines. Decried as unconstitutional and illegal, and overreach by the commission, minor party leaders and supporters accused the commissioners of taking up the controversial issue at the behest of a vindictive governor.

Rex Stewart, a Niagara County pastor and plaintiff in one of the lawsuits challenging the commission's authority to make recommendations on fusion voting, said as a registered Democrat, he still appreciates his freedom to vote for a major party candidate on the Working Families Party line in order to influence Democrats toward more progressive policies.

Other candidates and elected officials said they would never have had a shot at public office without minor party support.

Those in favor of banning fusion voting, primarily Democratic Party leaders, accused some minor party leaders of breeding political patronage and corruption, and forcing candidates to sign onto issues they don't believe in just so that they can gain enough ballot lines to be taken seriously by voters.

Democratic Party Chairman Jeremy Zellner stated that due in large part to minor party challenges, half of all election ballot litigation in the United States occurs in New York.

"I believe fusion voting is bad for voters, bad for democracy, bad for our wallets and should be banned in New York as it is in 41 other states," Zellner said.

[Arizona advocacy group proposes plan to reform elections, limit lobbying](#)

An Arizona grassroots group kicked off a campaign Wednesday for a ballot initiative to reform Arizona elections and restrict lobbying in the state.

The [Arizonans for Fair Elections](#) measure would create an automatic voter registration system for Arizonans when they apply for or renew a driver's license.

It also calls for restricting gifts that lobbyists and special interests can give to politicians and mandate the Legislature to pay counties to boost elections staffs.

The group needs to gather roughly 238,000 signatures by July 2 to get it on the ballot for 2020.

"We're going to need a lot of resources," said Joel Edman, executive director of the Arizona Advocacy Network. "We're hoping to tap into as many grassroots supporters across the state as we can."

Edman insisted the measure is something most Arizonans would support.

“Voters are generally agreed that people aren’t represented enough in our politics,” he said. “Corporations, wealthy interests are represented too much.

“The kinds of reforms we’re pursuing are very popular for voters of all political stripes.”

The measure would place more restrictions on lobbyists and the travel, meals and more they give politicians.

“‘Gift’ has so many loopholes written into it that just about nothing actually counts,” Edman said.

It would also mandate more polling places and elections workers and early voting at the polls on Election Day.

“It’s not just about curbing the influence of big money, but it’s about bringing people into the political system and making it easier to be able to register and vote,” he said.

Edman says the bill would mandate state funding to help counties who put on the elections.

He said money from an optional \$5 tax donation to the Citizens Clean Elections Fund would help pay to put the measure into action. Another funding source would be raising the state’s corporate minimum income tax for larger businesses from \$50 to \$150.

[House panel says lobbyist disclosure law should be improved](#)

A new state House investigative committee's first report, released Wednesday, said Pennsylvania's lobbyist disclosure law should be overhauled so that lobbyists, rather than the entities they work for, report meals, gifts and other spending meant to influence government.

The House Government Oversight Committee voted unanimously for the 42-page report that also recommended changes to how lobbyist spending reports are audited.

The chairman, Rep. Seth Grove, R-York, said he hoped lawmakers would take up the recommendations and change a status quo he described as under-reporting and lack of transparency. Lobbyists spend about \$116 million a year in the state.

"If the scope of the lobbying disclosure law is to figure out who's spending money on who, I think the current law fails at both," Grove said after the vote.

Pete Trufahnestock, president of the lobbying trade group the Pennsylvania Association for Government Relations, declined immediate comment, saying his organization will read and evaluate the report.

The bipartisan committee said identifying and punishing lobbyist registration violations is difficult under the current law, and that it was not able to determine what percentage of principals, lobbying firms and lobbyists are in compliance.

"Changes in the law are needed to enhance its goal of providing the public with an accurate picture of the level of spending to influence decision making by state officials and employees in the legislative and executive branches," the report said.

Lobbyists rather than principals, the people who lobby on their own behalf or hire or employ lobbyists, should have to report primary expenses, the committee said. That would capture details that sometimes otherwise aren't made clear to the public.

"Lobbyists frequently entertain public officials and provide gifts or hospitality which are then allocated among each of their clients," the report said. "Because gifts and hospitality must be reported by principals, rather than their lobbyists who actually provide it to the official, reports do not necessarily reflect the actual level of expenditures on these items."

It said the ability to allocate to many sources undermines transparency that the lobbyist disclosure law is designed to foster.

It said the current practice of keeping most audit reports confidential should be reversed, arguing that public disclosure of information outweighs most privacy concerns.

The committee also recommended the state do away with the \$300 lobbyist registration fee, which covers about half the cost of administering the registration program. They said it was unfair and could be adding to the problem of some principals failing to register.

The Department of State and State Ethics Commission have begun to talk about sharing information about violations found in lobbying report audits as a result of the committee's investigation, the report said.

"As noted in the report, the department's interactions with the committee's staff have already been fruitful," said Department of State spokeswoman Wanda Murren. "We look forward to

exploring what additional changes can be made based on the committee's findings. We also look forward to continuing our collaboration with stakeholders and users of the registration and reporting system to ensure that the new system not only meets the requirements of the law but also meets the expectations of those who rely on it for reporting and disclosure."

The review was authorized in May by the Republican and Democratic floor leaders in the House of Representatives, following up on 2018 amendments to the lobbyist disclosure law that were passed to improve registration and reporting compliance.