



M U L T I S T A T E

[California campaign finance law could lead to big change for local politics](#)

(California)

A new campaign finance law aimed at bringing more transparency to local politics soon figures to reshape the role of money in virtually every city and county office in California.

But how the rule known as SB 1439 will play out in real life is a subject of sharp debate.

Supporters believe the rule will work as intended, and at least curb so-called “pay-to-play” corruption by requiring local officials to declare even more openly than they do now who they get money from and avoid voting to help those specific donors.

“It may be one of the most significant reforms of the last 50 years,” said state Sen. Steve Glazer, a Democrat from Orinda who co-authored the bill with Sen. Scott Wilk, R-Victorville. “It affects every jurisdiction in every city and county across the state.”

But critics predict the opposite. They say the new rule will take power away from people and businesses that support local politicians and transfer it to anonymous corporate backers of political action committees and independent operators, entities that increasingly influence even small-money, local campaigns.

Once SB 1439 is fully implemented, the critics argue, dark money will be more influential, not less, over city and county elected office holders.

On its face, the mechanics of the new rule, which Gov. Gavin Newsom signed into law in September after it passed through the Legislature without a no vote – though with several legislators not voting – seem pretty simple.

Starting Jan. 1, any member of an elected agency – including most school boards, water districts, city councils and county boards of supervisors – can’t vote on any issue that could affect anybody who donated \$250 or more to the elected official’s campaign. The voting ban lasts for 12 months after a donation is received, and a donation can range from cash to in-kind assistance (like accounting or legal advice) to catering a lunch at a campaign event. A violation would be a misdemeanor under California law.

The rule does let a politician “cure” a violation by giving the money back within 14 days of casting a vote, but only if they can show they didn’t know they were helping that donor and that they didn’t seek that donation in connection with the vote.

The rule does not address anonymous contributions, from political action committees or so-called independent political contributions. That loophole is part of why critics believe the real-life effect of SB 1439 could differ from its intent.

The new rule also is aimed at an old, previously addressed problem.

State laws already make it illegal for elected officials to trade votes for campaign donations. Also, at least 17 cities in California (including Alhambra, Baldwin Park, Claremont, Costa Mesa, Culver City, Gardena, Glendale, Los Angeles, Malibu, Oxnard, Pasadena, Temple City and West Covina) already prevent elected officials from voting on real estate projects connected to campaign contributors.

But SB 1439 goes further, by extending the no-vote rules to small-money backers of all stripes and preventing votes for a year. The bill's authors note that it is based on the Levine Act which, they argue, has successfully prevented pay-for-play behavior by officials on appointed boards, such as the California Coastal Commission and the Local Area Formation Committee, since it took effect in 1982.

Appearances, they add, matter.

"There is actual corruption; illegality. But there is also legal influence peddling, where persons with an application before an elected body can spend unlimited money to get that passed," said Glazer, the SB 1439 co-author from Orinda.

"This is about trust in government," Glazer added.

Glazer, who held elected offices in Orinda for a decade prior to winning his state seat in 2015, said there was "no political appetite" to apply the new rule to lawmakers in Sacramento, though he said such an extension might happen in the future.

But, Glazer added, local politics offers the most opportunity for pay-to-play influence peddling.

"Almost all of the legislative actions involving individuals or specific companies happen at the city or county level," he said.

Whether that is or isn't accurate, the Fair Political Practices Commission, which will oversee enforcement of SB 1439, is planning for the new rule to be far-reaching. Starting Jan. 1, officials elected to as many as 3,800 agencies in California figure to fall under the new guidelines, according to Jay Wierenga, communications director for the FPPC.

The possibility of individual influence on local elected officials is ripe at virtually every type of municipality.

In cities such as Anaheim and Long Beach, companies such as Disney, the Angels and numerous shipping operators can make or lose big money based on decisions made by local elected officials. In counties such as Los Angeles and Riverside, industries as diverse as Hollywood and

e-commerce could favor or oppose local officials based on their stances on zoning rules or environmental laws. Even some regional municipalities with small populations – such as City of Industry and Irwindale – could be affected on big projects if local leaders have campaign donation connections to companies that operate there.

The sometimes opaque relationship of business to municipal and county politics is why some consultants and others say the opportunity for big money to hold sway in city and county issues will go up, not down, once SB 1439 takes effect.

“This rule does nothing new to impose transparency. It just pushes more money into the shadows,” said Adam Probolsky, an Irvine-based political pollster who has worked on local campaigns.

Probolsky said the cost of winning an election to a city government post can now run into the hundreds of thousands of dollars. To get that money, new politicians generally start by seeking donations from family and friends before reaching out to co-workers, small business owners and others who live in their communities.

It’s far more common, he added, for that money to be donated because the contributor agrees with the candidate on a variety of issues or ideas, not for a specific favor or vote. Depending on how those officials respond to SB 1439, the political influence of many of those donors – “their politically protected, free speech,” Probolsky said – might be taken away.

“You’re not going to find any elected official who will argue against this, because saying anything against this makes them look bad,” Probolsky said. “But a lot of them would tell you this is ridiculous.”

In the short term, the new rule also adds at least some chaos to local proceedings. It’s still being sorted out if it will apply retroactively, to donations received this year. It’s also unclear what constitutes a “benefit,” as some donors might gain indirectly from a vote cast by an official they’ve helped finance.

Many elected officials might simply recuse from casting votes out of caution, not because they actually will be violating any law.

“I think it could make a big difference on close votes. If one vote is disqualified, a whole range of issues might be delayed. And if the council is a split vote, it could be a long-term issue on a lot of projects,” said Scott Smith, an attorney who represents San Clemente and Aliso Viejo and whose firm, Best Best and Krieger, represents about 200 cities in California.

But while Smith believes the new rule will require local officials to adjust – including the potential of declaring a financial conflict of interest in front of a room full of voters – he sees it as a win for small donors, generally, and for political transparency.

“It will provide greater visibility with less effort from the public,” he said.

“I also think it will have little effect on office-holders who rely on small donations. It will broaden the base of political voices,” Smith added.

Matt Lesenyie, a professor at Cal State Long Beach who has worked on state campaigns and teaches about fundraising in politics, suggests the new rule might be more style than substance.

“It’s probably not a big deal as far as shaking up politics,” he said, via email.

“The biggest splash is for the legislators who passed it,” he added. “They can claim credit for taking money out of politics without augmenting their own campaigns.”

Former state police union head Dana Pullman, lobbyist Anne Lynch convicted of racketeering, fraud (Massachusetts)

The former president of the Massachusetts State Police union and a former Massachusetts lobbyist were convicted by a federal jury Thursday of racketeering, fraud, obstruction of justice and tax crimes, United States Attorney Rachael S. Rollins’s office announced.

Dana A. Pullman, 60, of Worcester, and Anne M. Lynch, 71, of Hull, were convicted Thursday following a 20-day jury trial.

The two were found guilty of one count of racketeering conspiracy, one count of honest services wire fraud, three counts of wire fraud, one count of obstruction of justice and one count of conspiracy to defraud the Internal Revenue Service, officials said.

Pullman was also convicted of two additional counts of wire fraud and two counts of aiding and assisting the filing of a false tax return. Lynch was convicted of an additional count of obstruction of justice and four counts of aiding and assisting in the filing of a false tax return.

Pullman and Lynch were arrested and charged in August 2019 and later indicted by a federal grand jury in September 2019.

The State Police Association of Massachusetts (SPAM) is an association consisting of more than 1,500 troopers and sergeants from the Massachusetts State Police and acts as the exclusive bargaining agent between its members and the state regarding the terms and conditions of SPAM members’ employment.

Pullman, who was an MSP trooper from 1987 to 2018, was the president of SPAM from 2012 until his resignation on Sept. 28, 2018. Lynch’s lobbying firm represented SPAM during the same time period, in exchange for monthly retainer payments, officials said.

“From at least 2012 until Pullman resigned as the President in September 2018, Pullman and Lynch turned SPAM into a racketeering enterprise, using Pullman’s position and power to defraud SPAM members, the Commonwealth of Massachusetts, and vendors looking to do business with the MSP,” officials said.

Pullman and Lynch defrauded SPAM members and the state when Lynch paid Pullman a \$20,000 kickback in connection with a settlement agreement between SPAM and the state, officials said.

The settlement was on behalf of the Massachusetts State Police membership and alleged that troopers were not compensated properly for working scheduled days off. SPAM filed a grievance on behalf of troopers in 2005, which resulted in a multi-million dollar settlement in 2014. In the final months of negotiations, the complaint states Pullman sought for SPAM to recover a portion of approximately \$700,000 in expenses Pullman said were incurred in pursuing the complaint.

The union hired a lobbying firm owned by Lynch, who federal authorities said received nearly a million from the union.

During negotiations, members of the commonwealth repeatedly asked Pullman for documentation and receipts documenting expenses. Receipts were not provided but a final agreement was reached that included \$350,000 for the union. Prior to the final agreement, \$100,000 was paid to Lynch's firm. Following the settlement, a second check for \$250,000 was paid to the firm, according to federal investigators.

This payment was in addition to a monthly payment to the lobbying firm, investigators said.

When a member of leadership complained of the lobbying firm receiving the \$350,000, Pullman reportedly pounded on the table and yelled "Stop breaking my f***** balls and give me the check," according to the complaint.

Days after the check was deposited into the lobbying firm's account, Lynch wrote a \$50,000 check to herself and a \$20,000 check to the wife of Pullman from the firm's bank account.

Pullman and Lynch also defrauded two different companies that sought to do business with the MSP by hiding from the vendors the fact that Lynch was paying Pullman to direct vendors to use Lynch's services, prosecutors said.

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The two hid the payments from Lynch and her lobbying firm to Pullman in a scheme that was designed to avoid reporting and paying taxes on that income to the IRS. Pullman and Lynch also

attempted to obstruct the grand jury's investigation of the fraud by manipulating subpoenaed records and lying to investigators, officials said.

Pullman embezzled and misused SPAM funds for personal use by using a debit card tied to a SPAM bank account to pay for thousands of dollars of meals and travel for an individual with whom Pullman was having a romantic affair.

Federal investigators estimate he spent about \$9,300 on flowers and gift baskets between May 2015 and May 2018. More than \$4,400 of those flowers and gifts were for an unnamed woman with whom Pullman was having an affair, according to court documents.

"Today's verdict proves that Dana Pullman and Anne Lynch were paid to look out for the best interests of Massachusetts State Police union members, but instead were only looking out for themselves, lining their pockets with thousands of dollars in bribes and kickbacks and defrauding at least two different companies seeking to do business with the state," said Joseph Bonavolonta, Special Agent in Charge of the Federal Bureau of Investigation, Boston Division.

U.S. Senior District Court Judge Douglas P. Woodlock scheduled sentencing for Pullman and Lynch for March 8, 2023.

[DA investigating Villanueva for possible campaign finance violation](#) (California)

LOS ANGELES - Los Angeles County Sheriff Alex Villanueva is being investigated by the District Attorney's Office to determine if he violated campaign finance laws with a video plea to deputies for donations during his reelection bid, the office confirmed Wednesday.

The investigation, first reported by the [Los Angeles Times](#), focuses on a video that was circulated to members of the department last week. On the video, Villanueva speaks into the camera and says the message is aimed at deputies, whom he asks to consider making donations to his campaign.

On the video, the sheriff said the Association for Los Angeles Deputy Sheriffs — the union representing deputies — was not funding for his reelection campaign. ALADS, which pumped money into the sheriff's original campaign four years ago, endorsed Villanueva this year, but he said the group wasn't contributing financially.

"It's up to each and every one of you who you want to be as sheriff," he said on the video. "We're gonna win this thing, and Lord willing, and if you want to help, anything will help us get our message out there, get our ads online and on TV and our texting going on."

He concludes by asking for any type of donation to help his campaign.

According to The Times, state law and sheriff's department policy both prohibit an agency employee from soliciting political contributions from other employees.

In a statement Wednesday, Tiffany Blacknell, director of communications for the District Attorney's Office, confirmed the office is looking into the video.

"The video has come to our attention," Blacknell said. "We take these matters seriously and it is currently under review. A formal investigation by our PID (Public Integrity Division) union has been initiated. We cannot comment further at this time."

Asked about the investigation by The Times during his election-night party Tuesday, Villanueva denied any wrongdoing, telling the paper, "We did not violate any laws. That is nonsense."

He also said District Attorney **George Gascón** — whom Villanueva has repeatedly publicly criticized as being soft on crime — should recuse himself from the investigation.

Semi-official results from Tuesday's election show Villanueva trailing in his reelection bid against former Long Beach police Chief Robert Luna. Thus far, Luna had about 57% of the vote to Villanueva's 43%. The race likely won't be decided, however, until all outstanding ballots are tallied. It was unclear exactly how many ballots are still remaining.

[Danielle Smith's lobbying record holds clues to her governing agenda, observers say](#) (Alberta)

EDMONTON — Alberta Premier Danielle Smith promised to focus on the concerns of everyday people after winning a seat in the legislature Tuesday, but observers say other clues to her agenda can be found in her record as a lobbyist for one of the province's most powerful business groups.

"I find this extremely useful as an indicator of what she's going to do," said Laurie Adkin, a political scientist at the University of Alberta.

"These are her people. These are the people she worked for."

Smith first registered as a lobbyist in June 2019 for the Alberta Enterprise Group, a Calgary-based association of 100 companies of which she was also president. It represents a broad swath of the provincial economy with members ranging from oilsands giant Syncrude to the Oilers Entertainment Group, the company behind the Edmonton Oilers NHL team. It also includes firms from health care, transportation, construction, energy, law and finance.

It refers to itself as “Alberta’s most influential business organization.”

Smith last renewed her lobbying status for the group in January. Ten months later, she was premier.

“They now have their president as premier,” said Adkin. “Whose premier is she?”

In response to a question about how Smith’s lobbying record might suggest her legislative priorities, Rebecca Polak, the premier’s press secretary, wrote in an email: “Premier Smith has always operated in accordance with the Lobbyists Act and the Conflicts of Interest Act.”

The registry lists more than a dozen pages of issues Smith lobbied the government on during her years with the business group.

They include a “free enterprise approach to delivering public services such as health spending accounts and vouchers in child care.”

Smith, a former advocate of bogus COVID-19 cures such as Ivermectin, met with then-health minister Tyler Shandro — now Alberta’s justice minister — to discuss “the College of Physicians and Surgeons interference with doctors’ ability to prescribe medications based on best available medical research.”

She and Shandro also discussed “a new accountability model for delivering health care that would split the roles of purchaser, provider and performance oversight.”

Smith advocated a government-run “concierge” service for large development projects. She argued for a “streamlined model” to assess rural property taxes on roads and pipelines for the oilpatch. Smith lobbied for charter schools.

She held repeated meetings on the so-called RStar program, which would give energy companies an up to \$5-billion break on their royalties if they met their legal obligations and cleaned up their abandoned wells. That proposal is now being considered by Alberta Energy.

Many items on her list have already been enacted under former premier Jason Kenney, such as the 50 per cent cut in the corporate tax rate.

The list is consistent with the agenda Smith has pursued her entire public career, said Lori Williams, a political scientist from Calgary’s Mount Royal University.

“It’s more or less a confirmation of what we’ve already seen,” she said.

But Williams said if Smith's legislative agenda follows her lobbying efforts, she may alienate Albertans.

"In some respects, Jason Kenney misread Alberta as being more conservative than it actually is. Danielle Smith seems to have tacked even further to the right."

Smith's lobbying work immediately preceding the resumption of her political career "raises lots of questions," Williams said.

"We often hear conservatives discussing special interest groups and their undemocratic influence on government. There could be questions raised whether Danielle Smith represents all Albertans or will allow disproportionate influence to an interest group."

New Democrat Opposition deputy leader Sarah Hoffman said Smith's lobbying record isn't in sync with what Albertans care about.

"Most Albertans want to have a public health system where if they get diagnosed with something scary that they have access to quality treatment as soon as possible, not based on how much money they've got in their bank account," she said. "I think most Albertans are concerned about the cost of living, want things to be more affordable for them.

"These are top of mind for most people, not wanting to push a voucher system."