



M U L T I S T A T E

Political Donor Sentenced to 12 Years in Prison for Lobbying and Campaign Contribution Crimes, Tax Evasion, and Obstruction of Justice (US/Federal)

A venture capitalist and political fundraiser was sentenced today to 144 months in federal prison for falsifying records to conceal his work as a foreign agent while lobbying high-level U.S. government officials, evading the payment of millions of dollars in taxes, making illegal campaign contributions, and obstructing a federal investigation into the source of donations to a presidential inauguration committee.

Imaad Shah Zuberi, 50, of Arcadia, California, was sentenced by U.S. District Judge Virginia A. Phillips, who also ordered him to pay \$15,705,080 in restitution and a criminal fine of \$1.75 million.

In November 2019, Zuberi pleaded guilty to a three-count information charging him with violating the Foreign Agents Registration Act (FARA) by making false statements on a FARA filing, tax evasion, and making illegal campaign contributions. In June 2020, Zuberi pleaded guilty in a separate case to one count of obstruction of justice. His sentence today pertains to both cases.

“Zuberi turned acting as an unregistered foreign agent into a business enterprise,” said Assistant Attorney General for National Security John C. Demers. “He used foreign money to fund illegal campaign contributions that bought him political influence, and used that influence to lobby U.S. officials for policy changes on behalf of numerous foreign principals. He not only concealed his lucrative agreements with those foreign principals, but also made false statements about them in a FARA filing. After learning he was under investigation, Zuberi doubled down on his criminal conduct, obstructing justice by creating false records, destroying evidence, and attempting to purchase witnesses’ silence. This sentence should deter others who would seek to corrupt our political processes and compromise our institutions in exchange for foreign cash.”

“Mr. Zuberi flouted federal laws that restrict foreign influences upon our government and prohibit injecting foreign money into our political campaigns. He enriched himself by

defrauding his clients and evading the payment of taxes,” said Acting U.S. Attorney Tracy L. Wilkison for the Central District of California. “Today’s sentence, which also accounts for Mr. Zuberi’s attempt to obstruct an investigation into his felonious conduct, underscores the importance of our ongoing efforts to maintain transparency in U.S. elections and policy-making processes.”

“As Mr. Zuberi’s greed and wealth increased, his elaborate influence-peddling scheme collapsed,” said Assistant Director in Charge Kristi K. Johnson of the FBI’s Los Angeles Field Office. “By lending a veneer of credibility through name dropping and flashing photos with high-level government officials, Zuberi was able to con foreign donors. Now that he’s been sentenced, he will be held accountable by the United States government which he so recklessly misrepresented.”

“Through myriad international contacts and business partners, Imaad Shah Zuberi was able to raise money and gain influence among the U.S.’s highest political circles. Zuberi used his status to solicit funds for lobbying, campaign contributions, and investments, but ultimately swindled his business partners and pocketed most of the funds for himself,” said Special Agent in Charge Ryan Korner of IRS-Criminal Investigation Los Angeles Field Office. “An opportunist at his core, Zuberi worked with political figures across the aisle, depending on who was in power, to lend an appearance of credibility to his political charades. At the end of the day, IRS Criminal Investigation worked closely with our partner federal agencies to ensure Zuberi’s criminal behavior would not pay off, and that he was held accountable for paying himself rather than using the funds he solicited for their original intended purpose.”

Zuberi operated Avenue Ventures LLC, a San Francisco-based venture capital firm, and solicited foreign nationals and representatives of foreign governments with claims he could use his contacts in Washington, D.C., to change U.S. foreign policy and create business opportunities for his clients and himself.

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 that gave him access to high-level U.S. officials, some of whom acted 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 Zuberi had a limited degree of success with some U.S. officials, most of his business efforts failed and his clients suffered significant financial losses. Many of the lobbyists, public relations consultants, and other subcontractors also suffered losses when Zuberi refused to pay them. Meanwhile, Zuberi became wealthy, largely through his theft of client funds and unlawful lobbying on behalf of foreign interests.

For example, Zuberi made efforts to convince the government of Bahrain to lift sanctions on a Bahraini citizen in order to allow the citizen to develop a large resort in that country. The scheme falsely created the appearance that Avenue Ventures had made a major investment in the resort project. Citing this purported investment, 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. At Zuberi's urging, at least a dozen members of Congress sent letters to the government of Bahrain requesting that it stop interfering with the project. In fact, however, Zuberi designed these efforts to benefit the Bahraini citizen, who paid Zuberi consulting fees. Zuberi violated FARA by failing to register as an agent of the Bahraini citizen in connection with this scheme.

Zuberi also siphoned money invested in U.S. Cares, a company set up to export humanitarian aid to Iran. In 2013 and 2014, investors deposited approximately \$7 million into U.S. Cares, but Zuberi used more than 90 percent of investor funds for his personal benefit, which included purchasing real estate, paying down debt such as mortgages and credit card bills, remodeling properties, investing in brokerage accounts, and donating \$250,000 to a non-profit organization established by a former high-ranking elected official.

In addition, the government of Sri Lanka hired Zuberi in 2014 to rehabilitate the country's image in the United States, which had suffered because of allegations that its minority Tamil population had been persecuted. 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. 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.

In total, Sri Lanka wired \$6.5 million pursuant to the contract, and Zuberi used more than \$5.65 million of that money to the benefit of himself and his wife. Zuberi paid less than \$850,000 to lobbyists, public relations firms and law firms, and refused to pay certain subcontractors based on false claims that Sri Lanka had not provided sufficient funds to pay invoices.

Relatedly, Zuberi failed to report on his 2014 tax return millions of dollars in income he received from the Sri Lankan government. While his 2014 federal 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's tax evasion over the course of four years – 2012 through 2015 – caused tax losses ranging from \$3.5 million to as much as \$9.5 million.

Zuberi also violated 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. Over a five-year period – 2012 through 2016 – he made or solicited more than \$250,000 in illegal campaign contributions.

The obstruction charge to which Zuberi pleaded guilty in June 2020 stemmed from a federal investigation into a \$900,000 donation from Zuberi through his company to a presidential inaugural committee in late 2016. Some of the funds Zuberi donated to the committee came from other people, including one individual who gave him a \$50,000 check.

After media reports that a federal grand jury in the Southern District of New York was investigating donations to the presidential inaugural committee, Zuberi met with the individual at a California restaurant on Feb. 25, 2019. During that meeting, the individual asked Zuberi to refund the \$50,000, which Zuberi did, but backdated the check to Feb. 1, 2019, to make it appear the refund was sent before he learned of the federal investigation.

This matter was investigated by the FBI and IRS-Criminal Investigation.

This case was prosecuted by Assistant U.S. Attorneys Daniel J. O'Brien and Elisa Fernandez of the Public Corruption and Civil Rights Section, Assistant U.S. Attorney Judith A. Heinz of the National Security Division, and Trial Attorney Evan N. Turgeon of the Justice Department's National Security Division, Counterintelligence and Export Control Section.

Lobbying in the time of the COVID: The new normal in Georgia's Statehouse (Georgia)

Lobbying at Georgia's Statehouse is all about making and building on relationships with the people you're trying to persuade to either pass your bill or kill the competition's.

How the paid influencers on the Capitol's third floor do their work has changed — sometimes in profound ways — with COVID-19.

While lobbyists are still wining and dining lawmakers, there are fewer big committee dinners, and going out often means checking into the layout and seating arrangements of restaurants, ruling out regular haunts.

Some legislative committee meetings are off-limits. The rope line, where lobbyists normally call lawmakers out of the chamber to buttonhole them about a bill or state funding for their clients, is gone.

In some cases, they need an appointment to meet with lawmakers for more than a few minutes, and they have to give staffers their information for contact tracing in case they or the lawmaker comes down with COVID-19.

Some older lobbyists or those with medical issues are staying away, sending younger colleagues to hang out at the Capitol to monitor the goings on while they are watching meetings on stream. Phone calls and texts have replaced some in-person conversations. Everyone is masking, making it harder to gauge reactions when they do talk to lawmakers.

“I really miss the personal interaction,” said Trip Martin, a 38-year lobbying veteran of the Capitol who has among the longest client lists in the Statehouse. “I am a face-to-face, eye-to-eye kind of guy. I like to see people’s expressions.”

Martin and his team spent \$5,800 buying breakfast, lunch, dinner and drinks for lawmakers during the first month of the 2021 session, so they’re still getting plenty of face time from individual lawmakers.

He’s 69 and has gotten his COVID-19 vaccinations.

Still, when asked whether he’s worried about wining and dining in the time of COVID, he said: “Hell yes, I got my shots. But I am still concerned.”

A COVID Capitol

A job built on professional relationships was certain to see changes from the COVID-19 pandemic, where mask-wearing and social distancing are recommended and group gatherings often make headlines. And not the good kind.

A typical legislative session is a perfect superspreader event — hundreds of people, sometimes well over 1,000, jammed together on the third floor of the Capitol for hours, talking close to each other and often meeting in cramped, poorly ventilated rooms that can feel like a sweat lodge in February.

On days when groups hold their annual “Day at the Capitol” — from teachers and nurses to disability advocates — it is nearly impossible to move about and can feel claustrophobic to those prone to having problems with crowds in tight spaces. Children serve as pages, scurrying about, bringing messages to lawmakers to come outside their chambers to talk to the supplicants who are standing — sometimes three deep — behind a rope line.

It is democracy writ large — and the perfect environment to spread a deadly virus. A winter session doesn't go by without some legislators, staff, lobbyists and the journalist who cover them coming down with a nasty bug.

And that was before COVID-19.

After the 2020 session was suspended due to the COVID-19 outbreak, lawmakers returned for a few weeks in June and most lobbyists wore masks, taking a cue from legislative leaders such as [House Speaker David Ralston, R-Blue Ridge](#), who required face coverings in his chamber.

Lawmakers spread out in the chamber or nearby rooms and were urged to regularly get tested at medical aid stations in and around the Capitol. The rope line disappeared, as did the crowds of citizen lobbyists visiting the Statehouse.

Fewer lobbyists took fewer lawmakers for a night out, and fewer lobbyists hung out in the halls outside the chambers.

Some things got back to normal when lawmakers returned in January. Leaders of the Republican majority held the same kind of fundraisers they hold every year in the days before a session, with lobbyists invited to come by with a check to help pay for the next round of campaigns.

But other things had changed. Once the session began Jan. 11, Ralston and other legislative leaders required lawmakers and staff be tested twice a week. Ralston had one lawmaker who refused to do so escorted from the chamber and told him not to come back until he complied. The speaker said he'd just lost two friends to COVID-19 and he was in no mood to have his mandate ignored.

House members remained spread out, and committee and subcommittee meetings were streamed, limiting the need to attend them in person. In at least some committees, lobbyists and their clients were told to submit written testimony why lawmakers should pass or kill a bill, rather than have them testify in person.

Lobbyist-funded dinners and drinks have picked up again. About \$75,000 in spending on lawmakers was reported during the first month of the session, according to disclosures reviewed by The Atlanta Journal-Constitution. That's typically closer to \$200,000 or so, but the most costly events — such as those sponsored by chambers of commerce to promote Savannah and other cities — weren't held this year. Neither was the Wild Hog Supper, the traditional event the night before the start of a session where visitors communally try to pick roasted hogs clean.

One of the strongest traditions at the Capitol is the committee dinner. Groups of lobbyists take entire committees of lawmakers out, typically for a fancy dinner that can run well over \$1,000.

David Pratt, a 19-year lobbyist whose client list runs the gamut from AARP and autism advocates to pharmaceutical and private prison companies, is a veteran of the committee dinners, as is his wallet.

“It’s entirely possible there won’t be any of those this year,” he said.

[Senate Majority Leader Mike Dugan, R-Carrollton](#), agreed that those regular big gatherings are less likely.

“The part I miss about the committee dinners (not happening) is not the food as much as they are bipartisan,” Dugan said. “You get to engage with people you typically don’t spend too much time with during the day. That’s been put on the back burner.”

Dugan, who tested positive for COVID-19 at the start of the session but has since returned, said the pandemic hasn’t stopped him from going out with lobbyists.

“I am not one of those who is typically in fear of something going bad,” he said. “I do it as safely as I possibly can. It’s not something I really think about.”

Pratt said he takes lawmakers to places that have spread-out dining and outdoor patios, and he mentioned Kevin Rathbun’s and Murphy’s as places he feels comfortable taking people. “We love to patronize those places,” he said.

Another lobbyist said he’s invited lawmakers to his condo and ordered steaks to be delivered. A third said her company won’t let her go to the session because of COVID-19, so she’s had lawmakers over for food and drinks in her backyard.

Chuck McMullen, a veteran lobbyist whose clients include Anheuser-Busch, the Georgia Academy of Family Physicians, Microsoft, the Wellstar Health System and the Wynn Resorts casino company, said COVID-19 hasn’t slowed the traditional after-hours get-togethers that much.

“I am still getting invitations from people calling me up and asking, ‘Hey, do you want to take me to dinner?’ ” he said.

Other things have changed

But McMillen said other things have changed. Lobbyists have to get written testimony on bills prepared to submit because they may not get to speak in subcommittees. In-house lobbyists working for some big corporations have been told to stay home, so the sheer volume is down.

Fast-moving lobbyists can still catch lawmakers in the hall as they walk to and from chambers, but often they have to schedule appointments to get more than a few minutes with a legislator during the workday. Many lobbyists regularly get tested for COVID-19, even those such as McMullen, who's had the virus.

Ben Harbin, a former House budget chairman turned lobbyist representing the Georgia Mental Health Consumer Network, Georgia Power and the Georgia Military College among other clients, said he's not going to the Capitol as much as he normally would. He's making a lot of calls and texting with a cellphone number list he and many top lobbyists have built up over years of working the Capitol.

“What has changed is you are more respectful of legislators and the system,” he said. “We are all out and about during the day, and we don't want to expose anybody. You've got older lobbyists, older legislators.”

But McMullen said there is a certain amount of time you have to spend at the Capitol working legislators and legislation, COVID-19 or no COVID-19.

“At the end of the day, to get a bill passed, you still have to be down here,” he said.

Dugan expects the new normal to revert, for the most part, to the old normal once the pandemic is over.

“It won't be like a switch getting turned on and it (instantly) goes back to the way it was before,” he said. “I think you will see a constant migration back to it.”

The first thing that will happen, he said, is committee meetings will all be opened back up to lobbyists and the public. And the “Day at the Capitol” for professional associations and other groups will eventually return, bringing back the jam-packed third-floor halls and hurried conversations with citizen lobbyists.

“The convenience factor goes way up by not having them here, but we’re not here for our convenience,” Dugan said. “Half of our responsibility is to engage with those that have concerns.”

Since California speaker rose to power, corporate money flowed to nonprofits tied to his wife (California)

In the years since Anthony Rendon rose to power as speaker of the California Assembly, nonprofits associated with his wife, Annie Lam, received more than \$500,000 in donations and event sponsorships from dozens of companies with business before the Legislature.

Nonprofits are not required to publicly disclose their donors. But since 2016, when Rendon ascended to the speakership, five nonprofits where Lam is employed have received donations or sponsorships from more than 50 entities, according to public records, promotional flyers and interviews.

More than half of the sponsors and donors are corporations that regularly lobby the Legislature on bills that have the potential to affect their bottom lines, records show. Other sponsors include lobbyists, lawyers and a handful of public agencies.

Meanwhile, Rendon oversaw votes on legislation that some of the companies fiercely opposed.

The donations and sponsorships – led by Pacific Gas and Electric Co. – aren’t illegal, experts said, but raise questions about whether Rendon, a Lakewood Democrat, can be influenced by those who support organizations his wife leads. They also reveal limitations in the state’s political finance laws, which don’t extend to this kind of fundraising by nonprofits with a Capitol connection.

Both Lam and Rendon said he has no role in the fundraising process. Rendon also said the donations have never influenced legislation or the decisions he’s made as speaker.

“There is no connection between any donations to Annie’s nonprofits and what happens with respect to legislation,” he said.

Twenty-one of the companies that have supported Lam’s nonprofits have also made a total of more than \$350,000 in campaign donations to Rendon since he first ran for the Assembly in 2012, records show.

These political donations ramped up after he became speaker. As the Assembly's leader, Rendon oversees the legislative agenda and has an outsized influence over which bills do, or don't, pass his chamber.

Rendon's political donors also showed up as sponsors of the nonprofits associated with Lam.

A former legislative staffer and daughter of Vietnamese refugees, Lam has spent years building Asian and Pacific Islander representation in California politics. The organizations she's founded, runs or works for include APIs Mobilize, the League of California Cities Women's Caucus, the League of California Cities Asian Pacific Islander Caucus, the California Asian Pacific Islander Legislative Caucus Institute and the Pacific Bridge Arts Foundation.

Most companies don't report how much they donate, but certain top spenders do.

From 2017 through 2019, PG&E donated a total of \$360,000 to three nonprofits associated with Lam, according to California Public Utilities Commission records.

The investor-owned utility supported the nonprofits as the company faced legislative scrutiny for its role in a series of deadly wildfires. Southern California Edison, San Diego Gas & Electric (a subsidiary of Sempra Energy) and SoCalGas also supported some of the nonprofits.

AT&T and Comcast sponsored nonprofits during years when they were lobbying on broadband internet measures.

Coca-Cola and PepsiCo supported the nonprofits while fighting to stop a proposed tax on sugary soft drinks, according to lobbying reports.

Two companies that were promoting a tax relief measure for marijuana businesses also sponsored events.

Four municipal garbage companies – California Waste Solutions, Recology, Republic Services and Athens Services – that lobbied on bills to promote recycling also were nonprofit sponsors. The NFL's Los Angeles Rams sponsored two events while lobbying on a bill to make youth football safer.

Other supporters with legislative interests included Wells Fargo, the Walt Disney Co., the California Apartment Association and the Pechanga Band of Luiseño Indians, who operate a casino in Temecula.

In an interview, Lam said her marriage has nothing to do with the companies' charity. Instead, she said, it's the nonprofits' mission that attracts donors.

"We do really great work," Lam said.

All the companies that responded to requests for comment also denied any correlation between their support of the nonprofits and bills in the Capitol. They said Rendon did not request the donations.

Instead, most said they backed the nonprofits' mission to amplify Asian and marginalized voices in public policy.

PG&E said it supported the nonprofits for their "good work on behalf of California's diverse communities" – not to win political favor.

Neither Rendon "nor anyone on his behalf has reached out about donations," spokesperson Lynsey Paulo wrote in an email.

Politicians are legally obligated to report charitable contributions they personally solicit, but not contributions solicited by their spouses. The donations to the nonprofits associated with Lam don't appear to violate political finance rules, experts said.

Bob Stern, former general counsel for the Fair Political Practices Commission and a co-author of the 1974 Political Reform Act, said that if Lam is fundraising on her own, Rendon doesn't have to report the donations. Stern said the donations are rather an issue of "appearance."

"There's nothing illegal about this," he said. "The real question is if he weren't speaker, would the nonprofits be getting this money? And the answer is probably no."

Lam and the Nonprofits

Lam's political career also began in the Assembly, more than a decade before her husband was selected to lead the chamber as its speaker.

She first served as a legislative aide in the early 2000s to Assemblywoman Judy Chu, now a congresswoman. Lam advanced to legislative director for Mike Eng, Chu's husband, after he was elected to the Assembly in 2006.

Rendon and Lam married in 2014 in a private ceremony presided over by former Assembly Speaker John Pérez.

Lam also runs her own consulting firm, where she's a "recognized expert in public and nonprofit service," according to her [APIs Mobilize biography](#). Her work includes leading organizations that develop and support youth in underrepresented communities, which Lam called her "passion."

It's also been a lucrative business.

California politicians are required to estimate their spouses' incomes on annual statements of economic interest.

The year he became speaker, Rendon reported his wife had consulted for the League of California Cities Asian Pacific Islander Caucus. Rendon reported that his 50% share of his wife's income was in the range between \$10,000 and \$100,000, indicating that his wife had earned up to \$199,000, with at least \$20,000 coming from one nonprofit whose supporters had business at the Capitol.

In the three years that followed, Rendon reported that Lam began working at four more organizations that collected money from his donors.

By 2019, his filings indicate that he earned more than \$100,000 from her business, meaning her earnings had topped \$200,000. Rendon's report indicates that his wife earned more than \$20,000 from each of the five nonprofits. The report does not require him to be more specific. Lam declined to say how much she made.

In 2017, Lam went to work for the League of California Cities Women's Caucus. She's now the executive director of both the Asian Pacific Islander and Women's Caucuses, which were set up to encourage "city officials who share common interests or characteristics to connect with one another," according to the league's [website](#).

In a [2018 Sacramento Business Journal report](#), Lam said she had bumped fundraising by 768% for the API Caucus and boosted the Women's Caucus budget by 530%.

Lam also began working in 2017 for the California Asian Pacific Islander Legislative Caucus Institute. Chu founded the organization to foster new leaders in the Capitol, and Lam is the current executive director.

Lam founded APIs Mobilize around 2015, she said, but Rendon's filings show she began serving as its executive director in 2017. The nonprofit is set up to educate students interested in public policy, according to public records. The group hosts programs in Northern and Southern California, internships at the Capitol and learning sessions with community leaders.

She began working in development at the Pacific Bridge Arts Foundation in 2019, Rendon's filings show. The Los Angeles-based nonprofit each year hosts Identity LA, a music and cultural festival where Asian and Pacific Islander entertainers, chefs and artists from the city showcase their craft. The organization also awards scholarships for students pursuing musical arts degrees.

Lam said many corporate sponsors donated to some of the nonprofits before she married Rendon in 2014.

APIs Mobilize, however, [started its programs in 2016](#), and the Pacific Bridge Arts Foundation's [festival](#) began that same year.

Some of the nonprofits have access at the Capitol, too.

Through a partnership with UC Davis, APIs Mobilize has recently launched a state Capitol internship program. Selected students [will get to work in Rendon's office](#).

A Top Spender

The nonprofits' biggest donor is PG&E.

Filings with the Public Utilities Commission show that from 2017 through 2019, PG&E gave \$270,000 to APIs Mobilize, \$70,000 to the California Asian Pacific Islander Legislative Caucus Institute and \$20,000 to the Pacific Bridge Arts Foundation.

The investor-owned utility company [declared bankruptcy](#) in January 2019 following a wave of wildfires its poorly managed equipment helped spark in 2017 and 2018.

PG&E sponsored events in recent years for the two League of California Cities caucuses, [social media posts show](#). The utility earned a "special shout-out" in a 2020 Women's Caucus Facebook [post](#).

During the years it supported the nonprofits, PG&E also donated about \$8,000 to Rendon's campaign, according to court records, and lobbied the Assembly on measures affecting its profits.

It was a time of crisis for PG&E.

A federal jury had declared the utility guilty of felonies for a 2010 natural gas explosion in San Bruno, which killed eight. Investigators from the California Department of Forestry and Fire Protection had blamed the utility's downed power lines for the deadly Butte Fire in Amador and Calaveras counties in 2015, court records show, and for a dozen more wildfires that swept across Northern California in 2017.

Then, in 2018, PG&E was blamed for sparking one of the most devastating blazes in California history. The Camp Fire in Butte County killed at least 85 people and ravaged the small town of Paradise in the Sierra Nevada foothills.

The company filed for bankruptcy, citing \$30 billion in liabilities from fires.

But in the summer of 2019, the Legislature bailed out PG&E, fast-tracking a measure that set up a \$21 billion wildfire fund as a safety net for investor-owned utilities – and, critics said, saddling customers and taxpayers with financial responsibility for future wildfires.

The measure whipped through the Legislature in two weeks and [passed overwhelmingly](#).

The measure also benefited two other California utilities that had donated to APIs Mobilize: Southern California Gas Co. gave \$15,000 from 2017 to 2019. In 2017, Southern California Edison gave \$5,000.

Edison International said it donated \$5,000 to APIs Mobilize as part of a charitable effort to “build strong communities.” The company didn't have contact with Rendon about the donation, spokesperson Taelor I. Bakewell wrote in an email.

San Diego Gas & Electric Co. said it gave \$7,500 to the California Asian Pacific Islander Legislative Caucus Institute to encourage diversity in leadership.

Gov. Gavin Newsom was the point man on the rushed legislation, [Assembly Bill 1054](#), and Rendon said both Assembly members and senators negotiated a final deal.

But the powerful Assembly speaker played an important role, said San Diego lawyer Michael J. Aguirre, who is suing the state on behalf of clients who claim that the bailout amounted to an illegal gift of public funds.

The bill could not have been fast-tracked and would never have obtained the supermajority vote needed for quick passage without Rendon's support, Aguirre said in an interview.

"They could not have done it without Rendon being on board," he said. "This was a speaker deal."

High-Profile Patrons

Lam declined to specify how much other companies donate compared to PG&E, and records are not complete. But the utility wasn't the only corporation donating at critical moments.

Comcast donated to APIs Mobilize in 2019 and has been among the League of California Cities caucuses' sponsors since at least 2017, social media posts show.

The corporation has lobbied in recent years on the implementation of the state's consumer privacy regulations and [Assembly Bill 5](#), the 2019 landmark gig economy law that changed how companies classify their workers.

Comcast spokesperson Joan Hammel said donation data wasn't available. But she said that the company's position on legislation has never been tied to its support of the nonprofits and that Rendon never coordinated the donations.

Instead, Hammel said, Comcast has a "deep and longstanding commitment to supporting Asian American communities."

AT&T also supported the nonprofits during Rendon's speakership. Since 2019, the company cut checks worth \$95,000 to the five nonprofits with ties to Lam, spokesperson Steven Maviglio said.

In a statement, Maviglio said AT&T's support of the Asian Pacific Islander community in politics "predates Speaker Rendon's tenure." Maviglio said AT&T has supported the API Legislative Caucus Institute since 2013, and the League of California Cities API Caucus since 2014.

“There are no dots to connect between these contributions and legislation,” Maviglio said. “Period.”

Both companies donated while embroiled in legislative fights.

In 2019, the companies supported legislation that opponents said would have “protected their broadband monopolies” by extending a law that [curbed state oversight](#) of the communications marketplace. In that case, the critics prevailed.

The telecommunications industry earned a victory in 2020 when the Assembly killed [Senate Bill 1130](#), a proposal to expand broadband technology in underserved areas of California.

AT&T didn’t lobby against the bill, but Comcast and trade groups did.

SB 1130 would have modified how the state distributes funds for high-speed internet projects and given local governments more of the market share.

Supporters argued that the legislation would have helped close the “digital divide” contributing to learning loss during the COVID-19 pandemic.

The opposition contended that the proposed funding changes would stymie the state’s effort to provide internet in rural areas by adding bureaucratic layers to the California Public Utilities Commission.

The bill sailed through the Senate before the Assembly blocked its passage in the final days of the 2020 session.

Sen. Lena Gonzalez, the Long Beach Democrat who wrote the proposal, blamed Rendon in a [press release](#) for the bill’s demise, calling his decision not to prioritize SB 1130 “short-sighted” and an insult to their constituents.

“I guess what is disappointing is that we share the same backyard. I advocate for (Rendon’s) district, too, because it’s my district,” she said in an interview. “It’s just disappointing that someone can’t pick up the phone and say, ‘Hey, this isn’t going to make it through.’”

Ethics

Public interest groups that monitor campaign finance violations wouldn't see these donations on the records they regularly review. That's because Rendon does not have to report his spouse's fundraising and sponsorships as a potential conflict of interest.

But the donations should make Rendon and Lam "concerned about the appearance of impropriety," said John Pelissero, a senior scholar at Santa Clara University's Markkula Center for Applied Ethics.

The donation patterns might be a coincidence, Pelissero added, but it could appear that the lobbyists are trying to gain influence with Rendon by donating to the nonprofits.

Lam said she isn't focused on "what's happening on the legislative side" of the companies donating. Even so, she added, Rendon "votes on legislation based on his principles and values," not who is supporting the organizations.

"They are supporting the work that we do because of the good work we are doing to change lives for the better," she said. "Just because of who I'm married to doesn't mean they should stop supporting the organizations."

Stern, the former Fair Political Practices Commission counsel, said that because nonprofit connections are becoming more common in the Capitol, it could be beneficial to expand the fundraising disclosure law. That becomes more important if spouses and lawmakers themselves are raising money from groups that hire lobbyists in Sacramento.

"That seems to be becoming the trend, and then money being given by people with legislation pending in the Legislature," Stern said. "There's nothing wrong with it. The only question is if the disclosure law should be extended."

Rendon said lawmakers are briefed annually on ethics regulations and reporting requirements. He said he isn't sure the law needs to be changed to include donations to nonprofits connected with a legislator's spouse.

"I'm not going to speculate on broad, vague ideas," Rendon said. "But as far as my decision-making process, there's never a connection between what happens with nonprofit giving and any decisions that I make."

[Pandemic sparks debate about remote lobbying in Nevada](#) (Nevada)

Restrictions aimed at preventing the spread of the coronavirus in the Nevada Legislature have changed the nature of lobbying and raised new questions about how to regulate it.

Public access to the legislative building has been restricted since lawmakers reconvened Feb. 1, leaving the normally bustling corridors empty aside from staff and reporters. But that hasn't stopped advocates from pursuing their usual work, lobbying for and against the hundreds of bills that have already been introduced.

Unlike other states, Nevada's Lobbying Disclosure and Regulation Act only requires lobbyists register if they lobby in-person. Registered lobbyists are required to submit monthly financial disclosures detailing their activities. With the building closed, no lobbyists have registered since lawmakers reconvened three weeks ago.

Assembly Speaker Jason Frierson and Assemblywoman Brittney Miller introduced a bill this week that would require lobbyists register whether they advocate on behalf of their clients in-person or remotely.

“In this virtual world where that's not — at least for the time being — part of the operation of the Legislature, for the sake of transparency, we still need to have lobbying activities being reported to the public,” Frierson said in a Tuesday committee hearing.

Many lobbyists say they support the bill. But Melissa Clement of Nevada Right to Life said requiring lobbyists pay the \$300 registration fee to advocate on behalf of their clients remotely didn't address the crux of the problem — that the Legislature needs to open to the public. She said the nature of lobbying included forging personal connections with lawmakers through face-to-face interactions.

“I'm just a disembodied voice that you can easily to ignore,” she told lawmakers in a committee hearing held on Zoom. “It's a little more difficult for you to ignore when I ride up in an elevator with you.”

Clements, along with three other lobbyists for conservative groups and causes, filed a lawsuit on Wednesday claiming the closure of the legislative building violates their First Amendment right to petition government.

In the lawsuit, they say the closure of the building reduces lobbyists to “lay advocates” whose main role is testifying remotely in committee hearings. They ask the court to “immediately allow plaintiffs access to the State Capital to engage in lobbying activities.”

The Assembly Committee on Legislative Operations and Elections is scheduled to revisit the discussion of lobbyist registration requirements on Tuesday.”

Nueces County Commissioners considering a resolution that would prevent hiring lobbyists in Austin (Texas)

Nueces County Commissioners will be considering a resolution this week, taking a stand against a bill before state lawmakers that would prevent counties and cities from hiring lobbyists in Austin.

Basically, the measure is aimed at stopping the spending of taxpayer dollars on Austin lobbying groups like the Texas Association of Counties and the Texas Municipal League. It would prevent the use of public funds for lobbying activities.

"If you take it away from cities and counties whose voices will they hear? Only big business -- that's the only voice they'll hear," Nueces County Judge Barbara Canales said. They'll never hear how important it is for a community to be able to share their concern and their issues."

The sponsor of the house bill said taxpayers shouldn't be paying for the lobbyists because they have lobbied against property tax relief and protecting the teacher retirement system pension fund.

A similar measure failed during the last legislative session.

Colorado Capitol hallways have emptied, putting some dealmaking on ice (Colorado)

The normally bustling-with-activity basement cafeteria is draped in caution tape. The lobbies outside the House and Senate chambers, where spittle flies and influence peddlers jostle for a view of lawmakers, are closed. Railings in the Colorado Capitol corridors, where real estate can be hard to come by because they are lined with lobbyists, are mostly empty.

Coronavirus has, at the very least, relocated statehouse dealmaking.

Lawmakers, legislative staff members and journalists were granted access to COVID-19 vaccines ahead of the resumption of the 2020 lawmaking term Feb. 16. Lobbyists were not. As a result, many of them are trying to limit their time in the once-bustling statehouse, even if there is nothing stopping them from being in the building.

That means informal conversations and “do-you-have-a-minute” meetings, where a lot of important policies get ironed out, will likely happen infrequently this year. And lobbyists, while sometimes reviled for their role representing special interests and deep-pocketed clients, often have more policy expertise and experience at the Capitol than Colorado’s part-time lawmakers.

“The way that problems get solved at the Capitol is you bump into the other side in the hallway and you get talking,” said Scott Wasserman, who runs the Bell Policy Center, a liberal economic advocacy and research organization. “I really worry about the lack of casual, informal back-and-forth. It’s going to make the sausage-making really difficult.”

The most powerful people at the statehouse this year will be those with a coronavirus vaccination and a deep Rolodex. “The people who have the upper hand are the people who have these legislators’ cellphone (numbers),” said Hannah Collazo, who runs Environment Colorado and plans to avoid the Capitol as much as possible this year out of health concerns.

Many fear that the pandemic will only intensify the power dynamics at the Capitol and deepen ideological divides. More than \$40 million was spent on lobbying during the 2020 legislative session in Colorado, and at stake this year are hundreds of millions of dollars in stimulus spending, a potential transportation package and an overhaul of the state’s health care system.

That’s not to mention the effects COVID-19 may have on the public’s ability to engage.

Don’t like what someone has to say? Just ignore their text or call because they probably won’t show up in person to corner you.

“What it really does is it further enhances the power of those who have it and weakens those who don’t even more,” said Greg Brophy, a Republican former state senator who now works as a lobbyist.

State lawmakers are aware of the access problems lobbyists and members of the public will have this year, but they’re mostly brushing off the concerns and chalking them up to the myriad changes people have had to endure during the pandemic.

“I’m empathetic to what they’re talking about, but I think every single person is adjusting to this new normal and I just think that there are creative ways that we can still connect,” said House Majority Leader Daneya Esgar, D-Pueblo. “We’re not saying they can’t come into the building, we’re just putting in a lot of safety precautions to keep people safe.”

Senate Majority Leader Steve Fenberg, D-Boulder, said he thinks lobbyists will still have their voices heard.

“I think they have a point. But, then again, I don’t feel like the lobbyists are having trouble getting a hold of me right now,” he said. “It doesn’t feel to me like they are just sitting at home and just wondering what’s happening. They’re still very engaged. That’s their job. They know how to get a hold of us.”

But Sandra Hagen Solin, head of the Capitol Solutions lobbying firm, said she found it nearly impossible to effectively get in touch with lawmakers without being in the building during last year’s brief pandemic lawmaking term and a subsequent special session in December.

“I had made attempts to interact with legislators by text and email,” she said. “There’s just time lag. They were certainly receptive, but there was sometimes – often times – a delay. Time is of the essence in the legislative process.”

Loren Furman, who has lobbied at the Colorado Capitol for 21 sessions, said off-the-cuff gatherings are “how the work gets done.” She can’t remember a year where such meetings didn’t play an important role in crafting legislation.

“You can get an awful lot done in the hallways here,” said Rep. Chris Kennedy, D-Lakewood.

Furman, too, found that lobbying from afar wasn’t effective enough. She ended up abandoning her plans to work from home last year when a bill eliminating tax breaks for businesses was rushed through at the end of the 2020 lawmaking term. Being at the Capitol in person was the only way to do her job.

“You have to have that interaction,” said Furman, who represents the Colorado Chamber of Commerce.

Rep. Matt Soper, R-Delta, says lawmakers often rely on the deep well of policy knowledge that lobbyists have, which makes up for the limited resources provided to state legislators.

“Really, it’s just us and then a part-time aide for the session,” Soper said. “It’s not like we have a vast, professional staff like Congress. So the lobby does become that institutional knowledge. If they’re not in the hallway and they’re not able to connect with us easily, it certainly frustrates the lawmaking process.”

State lawmakers in Colorado are term-limited – eight years in the House and eight years in the Senate. Some lobbyists, like Furman, have been in the building much longer than the average statehouse politician.

“I was an aide here in 2005,” Soper said. “I’d say 60% of the lobby is the same as (it was in) 2005.”

And this year there won’t be much time wasted at the Capitol, meaning it will be hard for lobbyists and members of the public to stay away if they want to influence legislation.

Democratic leadership says there won’t be the normal slow-walk into the lawmaking term. Between coronavirus stimulus and tackling legislation that was left on the cutting room floor last year when COVID-19 arrived in Colorado, there isn’t time to waste.

“We’re not going to sort of, like, slowly heat up the legislative machine like you normally do,” Fenberg said. “We’re going to hit the ground running.”

The Legislature gaveled in for the 2021 legislative session in January, but then took a monthlong break in the hope that the pandemic would ease. Normally, the first month of the lawmaking term is spent negotiating and putting final touches on measures. This year, legislators unofficially used the month off to do that work.

That’s also making lobbying more difficult because finalized bills are being introduced before interest groups have a chance to provide feedback on them.

“They continued to be hidden from public view,” Brophy said. “But people are still working on those and cutting deals and none of it is transparent at all.”

Members of the public may also have more difficulty accessing the lawmaking process this year. They are allowed in the Capitol, but in-person interactions are being discouraged. One of the first measures the Legislature passed this year was to enhance remote testimony, but Capitol insiders say there’s nothing quite like a constituent looking a lawmaker in the eye and asking them to vote for or against a bill.

Soper remembers when scores of people showed up to testify on legislation around increasing the state’s school vaccination rates, tightening gun-control legislation and changing the state’s sexual education curriculum.

“That’s very impactful,” he said of the masses of people coming to have their voices heard. “That’s something that I as a legislator definitely take into consideration.”

[South Carolina Lawmaker’s Son Lobbying For University Trustee Candidate](#)

A contested [legislative election](#) for a seat on the University of South Carolina’s board of trustees kicked into high gear this week when a registered lobbyist began making inquiries on behalf of one of the candidates.

Adding a layer of controversy to the mix? The lobbyist in question is the son of a sitting state lawmaker ... which raises additional ethical questions.

On Sunday, registered lobbyist [Lander Hiott](#) – who represents several associations and corporations at the S.C. State House – began contacting lawmakers on behalf of former National Basketball Association ([NBA](#)) star [Alex English](#). Specifically, Hiott notified these lawmakers that he was bringing English to the S.C. State House this week for meetings and hoped he could count on their support for the former’s candidacy at the “appropriate time.”

Lawmakers are allowed to pledge their votes to candidates in this race at 12:00 p.m. EST today (February 22, 2021).

Hiott is the son of state representative [Davey Hiott](#) of Pickens, S.C. – the chairman of the House agriculture, natural resources and environmental affairs committee. The elder Hiott has represented S.C. House District 4 ([.pdf](#)) since 2005.

English, 67, was appointed as a South Carolina trustee last year by Republican governor [Henry McMaster](#) after board member [William Hubbard](#) stepped down to lead the university’s law school. His candidacy for a full, four-year term on the board is reportedly being backed by retired U.S. Army general [Robert Caslen](#), the school’s president.

Caslen hasn’t formally endorsed English, and sources close to the university president say he is “careful not to get involved” in the politicking associated with board of trustee races.

However, Caslen has been accused of supporting English behind the scenes because the former Gamecock basketball star backs renaming the [Strom Thurmond Wellness And Fitness Center](#) on the university’s downtown Columbia, S.C. campus.

Named in 2003 after the late U.S. senator [Strom Thurmond](#) – a prominent supporter of segregation during the 1960s – the building has been the focus of a renaming campaign in the aftermath of the [killing of George Floyd](#) in Minneapolis, Minnesota last Memorial Day.

Caslen has not endorsed changing the name of “the Strom,” but he has formed a panel to study the issue and make recommendations.

Lawmakers have told us privately that this issue has put the university president on a “collision course” with the legislature.

Also running for this seat is [Robert Dozier](#), a Columbia, S.C. banker who is a past president of the school’s alumni association. According to our sources, Dozier is “keen on undertaking a top-to-bottom review of the university’s finances in the aftermath of the Covid-19 pandemic.”

A third candidate, [Kevin Hunter](#) of Irmo, S.C., is also in the mix. Like Dozier, Hunter is committed to imposing some long-overdue fiscal accountability on the institution.

“My goal is to help the board break the political messes of the past, right the financial ship and bring a focus on supporting our communities through action not discussions, focus groups or studies,” Hunter told us.

State lawmakers have routinely threatened to oust university trustees over their poor stewardship of the school in recent years ... yet they [continue to reappoint them](#).

Will that trend continue with English?

While the three candidates jockey for position, Hiott’s involvement has left lawmakers scratching their heads.

“Just ... why?” one legislator told us upon being informed of the development.

Also, Hiott’s colleagues began raising questions about whether the veteran lawmaker would abstain from voting in the trustee election given his son’s lobbying efforts – or take steps to ensure there was no suspicion that he may be leveraging his legislative leadership position on English’s behalf.

As noted previously, this news outlet's founding editor [Will Folks](#) does not take positions in legislative elections owing to his longstanding support for the [privatization of higher education](#) in the Palmetto State (and beyond).

“Higher education must be immediately and permanently privatized,” he wrote in 2018. “No more government appropriations, period. Furthermore, student loans in this country must be issued based on what the market determines to be an acceptable level of risk, not a federal guarantee. Anything short of this will only add more destructive force to a ticking time bomb that has become an existential threat to the American economy.”