MULTISTATE

Illinois Supreme Court weighing officials' use of campaign funds for lawyers
(Illinois)

The Illinois Supreme Court is being asked to decide whether public officials who are under investigation or charged with crimes may use their campaign funds to pay for their legal defense.

The court heard oral arguments last week in a case involving a former Chicago city alderman, Daniel Solis, then chairman of the City Council's Zoning Committee, who was being investigated by the FBI for allegedly taking campaign donations from developers in exchange for official action.

Solis did not run for re-election in 2019 and was succeeded by Byron Sigcho-Lopez, who filed a complaint over the matter with the Illinois State Board of Elections.

On May 21, 2019, the day after Sigcho-Lopez was sworn into office, the 25th Ward Regular Democratic Organization, which Solis chaired, used $220,000 to pay the law firm Foley & Lardner, LLP, for defending him. The purpose of the payment was first reported by local media.

Solis was not prosecuted in the case. Instead, he entered a deferred prosecution agreement with the Justice Department in exchange for agreeing to wear a wire and aid in the investigation of another Chicago city alderman, Ed Burke, who is the husband of Supreme Court Chief Justice Anne Burke.

Anne Burke has recused herself from the case, as has Justice Mary Jane Theis. Neither gave an official reason for their recusal.

That leaves only five justices left to decide the case, but the Illinois Constitution still requires four justices to agree on a decision.

ISBE dismissed the complaint, saying the Illinois Campaign Disclosure Act prohibits the use of campaign funds to satisfy personal debts, but it specifically permits the use of campaign funds

"to defray the customary and reasonable expenses of an officeholder in connection with the performance of governmental and public service functions."

The question before the court is whether the cost of a criminal defense lawyer is a personal expense or an expense directly related to Solis' governmental or public service functions.

"Are we at that point in Illinois where we're going to say that that's an ordinary expense of holding public office?" Justice Michael Burke asked during oral arguments. Michael Burke is not related to Anne or Ed Burke.

The Illinois statute itself does not define the difference between personal and official expenses. But Adolfo Mondragon, the attorney for Sigcho-Lopez, argued that criminal defense costs cannot be considered part of an elected official's governmental functions.

"The purpose of the campaign Disclosure Act of the Illinois election code is to deter and mitigate public corruption," he said. "Consequently, any interpretation of the Campaign Disclosure Act that allows for the use of campaign funds to pay for public office holders' criminal defense against investigations or charges of public corruption, the very evil the law was designed to combat, is antithetical to the legislative intent."

But Michael Dorf, attorney for the 25th Ward committee, argued public corruption investigations are, by definition, directly tied to an officeholder's official duties, so attorney fees should be considered an allowable use.

"The expenditure was not for strictly personal use and would not have occurred if Alderman Solis we're not a public official," he said.

More About Legal Expenses

Most political campaigns routinely incur legal expenses, and payments to attorneys frequently appear on campaign finance statements without any specific explanation of the type of legal work being performed.

Modregon conceded it was through only news reports that the public learned of the purpose of the 25th Ward committee's payment to Foley & Lardner, but he said that assertion was uncontested at the administrative hearing before the State Board of Elections.

Dorf, meanwhile, argued if lawmakers want to ban the use of campaign funds to pay for criminal defense attorneys, they could write that into the statute, and he noted there are two bills pending in the General Assembly to do just that.

House Bill 2929

One of those is House Bill 2929, by Rep. Deanne Mazzochi, R-Elmhurst, who called on Democrats to consider the bill in light of the Supreme Court case.

"This shouldn't be a matter of ambiguity in Illinois state law," she said in a news release Tuesday. "Regardless of how the court eventually interprets current campaign law, this shouldn't remain a statutory loophole. Letting this continue sends the wrong message: that literally, corrupt and unethical public officials who abused their office don't have to pay for their misdeeds, they can just continue to abuse their office to troll for campaign funds and keep the insider game going."

Boulder clerk finds 'probable cause' of campaign finance violations (Boulder, CO)

A complaint against former council candidate Steven Rosenblum may have merit, according to Boulder's city clerk, but more information is needed to determine if campaign finance rules were broken. A hearing has been scheduled to determine whether or not legal costs — for action against backers of Rosenblum's opponents — should be counted as campaign costs.

In September, Rosenblum filed suit against leaders of Boulder Progressives, local Sierra Club chapter and Bedrooms Are for People campaign, over social media and online posts that amplified leaked Slack chats from Safer Boulder, including posts from Rosenblum. The lawsuit alleged a conspiracy to prevent various political groups from endorsing Rosenblum, as well as defamation related to the leaks.

A group of residents argued that the focus on endorsements is why Rosenblum's legal costs should be counted as campaign expenses. Candidates are required to disclose all spending and keep it under a certain amount in order to qualify for matching funds from the city.

Mark McIntyre, Jane Hummer and Regina Cowles — all of whom are loosely affiliated with various political groups that endorsed four of Rosenblum's opponents — filed a formal complaint with the city a week after Rosenblum's lawsuit was submitted to courts.

In response to their complaint, Rosenblum wrote that the lawsuit was not connected to his campaign.

“I engaged (Stan Garnett, of Brownstein, Hyatt, Farber, Schreck) in my individual capacity, not on behalf of my campaign,” Rosenblum wrote. (Garnett corroborated this in a letter to the city.)

The timing of the lawsuit was not related to the election, he continued, but due to “Colorado’s one-year statute of limitations for defamation claims.” A blog containing leaked material from the Safer Boulder Slack was first published in October 2020; the anonymous leaker is named in Rosenblum’s lawsuit as John Doe.

“The legal work I hired Brownstein to perform was not a political strategy, and had nothing to do with my campaign,” Rosenblum concluded. “The City of Boulder should be wary of accepting campaign finance complaints of this nature and requiring candidate’s personal legal services to be disclosed as campaign expenditures.

“If all of a candidate’s personal legal work during a campaign was considered a campaign expenditure, it would be impossible for candidates to defend themselves in personal lawsuits during a political campaign.”

In a Dec. 7 letter from the city clerk’s office, Elesha Johnson wrote that “there is probable cause that there may be a violation, and additional facts are necessary to make a final determination (if) the litigation, or any portion thereof, was filed primarily to benefit Steve Rosenblum as a candidate and not to benefit Steve Rosenblum as an individual.”

A hearing is set for Feb. 14; a Boulder municipal judge will issue a ruling. Any penalty will be determined by the city clerk’s office, and could include forcing Rosenblum to repay matching funds.

Johnson did not find probable cause for other allegations included in the Cowles/Hummer/McIntyre complaint, including improper disclosure of personal investments and retention of Garnett’s firm for lobbying and/or public relations work.

A hearing for Rosenblum’s lawsuit against Boulder Progressives et al is set for February 1.

Another campaign, another violation

Another campaign was found in violation of campaign finance rules following a complaint from opposing campaign organizers. Save CU South — a group arguing against annexation of that property — failed to disclose major donors in two media ads, the city clerk ruled.

In her determination, Johnson wrote that ads in the Daily Camera and Boulder Weekly election guides "should have included disclosure by top contributors Thomas Mayer and Alan Boles" who each gave $1,000.

"Save CU South's self-cure of reimbursing $1 to each of the contributors, thus reducing their contribution to below the threshold of $1,000 for reporting top contributors, is not acceptable," Johnson wrote. "Cures are not determined by the committee and this proposed action does not provide a cure and lacks transparency to the public."

Johnson ordered the campaign to publish clerk-approved disclosures in both papers acknowledging the violations.

A second allegation that those contributions should have been included on yard signs was not valid, Johnson wrote, because the money came in after the signs were ordered.

Save CU South was advocating for a 'yes' vote on Ballot Question 302, which failed. The complaint was filed by Leslie Durgin, Suzy Ageton and Jon Carroll. Carroll and Durgin organized Protect Our Neighbors to oppose 302.

Texas Gov. Abbott's camp howls over Democrat O'Rourke's missteps on campaign finance reporting (Texas)

The Texas Ethics Commission is conducting a preliminary review, as it's required to do, of an allegation by Gov. Greg Abbott's re-election campaign that Democratic rival Beto O'Rourke violated campaign finance reporting laws by misreporting more than $1.7 million of in-kind contributions as also being expenditures.

Though the accounting stumble didn't alter what the O'Rourke campaign trumpeted in press releases 10 days ago — that he'd raised $7.2 million in his first 46 days as a candidate — it followed by just a few days an earlier glitch in the former El Paso congressman's first report as a candidate in a state election.

"O'Rourke's unwillingness to release accurate campaign finance reports is shameful," Abbott spokesman Mark Miner said Friday. "Either they're incompetent or they're lying — neither of those good qualities in a candidate for governor."

O'Rourke spokesman Abhi Rahman fired back that Abbott is "playing political games," exaggerating "clerical errors" that have been corrected by O'Rourke to distract from the

two-term Republican governor's failures to strengthen the electric grid, fund schools adequately and expand Medicaid.

The O'Rourke camp's first misstep on its January semiannual report filed last week involved online contributions — a strength for the former U.S. Senate and presidential hopeful in his past campaigns.

Traditionally, small contributions under a certain amount in state races don't have to be reported to the commission except as a subtotal of such small gifts. Over time, the threshold for detailed reporting has increased, from contributions of more than $50 to those exceeding $90. Since 2019, though, the only small contributions exempt from reporting of the name and address of the donor and the date of the contribution are those made with either cash or check.

All online contributions, no matter how small, have to be itemized on candidates' reports.

On Monday, O'Rourke, who on Jan. 18 said that 80% of his roughly 115,600 contributions were made online, filed a corrected report that took 18,359 pages to give the details of what he originally conveyed in one box on the second page: $1.77 million in small donations.

"The report is being amended to report itemized contributions that were previously reported as un-itemized," Gwendolyn Pulido, O'Rourke's campaign treasurer, said in the amended report.

A second Abbott complaint

On Wednesday, Gardner Pate, a GOP election law attorney who until recently was Abbott's deputy chief of staff, and who blew the whistle on O'Rourke's not itemizing the online gifts, filed a second complaint with the commission.

It noted that through Powered by People, the group O'Rourke created to register Texans to vote and help get out the vote for Democrats, and End Citizens United, a national group trying to get big money out of politics, O'Rourke has received more than $1.7 million of in-kind contributions such as email lists, website domains, digital ads and text messaging. But he used them to build both his contributions and expenditures totals, which is a violation, Pate said.

On Thursday, the commission assistant general counsel Jordan T. Hunn wrote Pulido to say the agency, as it must, is looking into Pate's second complaint. Pulido has 10 business days to respond.

Rahman, the O'Rourke spokesman, called the issue "a nothing burger."

O'Rourke's "top line numbers were accurate and as we announced them to be" on Jan. 18, he said. The handling of the in-kind contribution will be corrected, he said.

"All that they're going to do," he said of the commission, "is find that we fixed it."

The Abbott campaign, which also filed an ethics complaint against O'Rourke in November, for not including a disclaimer on his website, is pounding the issue hard. In eight days, Miner has issued four news releases about O'Rourke's January semiannual report.

"O'Rourke and his not ready for primetime players deceived the public yet again by overstating his contributions or his expenditures by more than $1.7 million," an Abbott release said Monday.

"If Abbott cared half as much about fixing our grid than he cares about fixing clerical errors on a people-driven fundraising report, we all wouldn't be holding our breaths wondering the grid will hold up this winter," Rahman countered Friday.

Texas Attorney General Finds State-Sanctioned Insurance Carrier May Engage in Lobbying Activities (Texas)

An insurance company created by the state legislature may lobby for or against legislation working through the capitol, the Office of the Attorney General (OAG) opined this week.

The Texas Windstorm Insurance Association (TWIA) was established in 1971 by the Texas legislature to provide insurance coverage to Texas' 14 coastal counties frequently affected by hurricanes and other similar storms. It is funded through premiums paid by its policyholders, just like any other insurance company.

Per the association, TWIA also has the ability to issue bonds that are backed by policyholders, not the state. This and TWIA's other alternative sources of funding come into play only when there is a major hurricane.

A coverage vacuum exists on the coast for wind and hail damage as private insurance companies have declined to offer much service, or service that can be afforded, to those areas — deeming the chance of payout by the businesses all too likely. Through June 2021, TWIA had 188,185 policies and brought in over $55 million in premiums so far that year. During 2020, that total was nearly $370 million.

It is meant to be an insurer of last resort, the final available option for individuals who cannot find insurance coverage elsewhere.

TWIA has been accused by officials on the coast of being less responsive to its policyholders than the industry it mimics. The Texas House Committee on Insurance held an interim hearing in January 2020 that focused on the TWIA, much of which maligned the association's increasing rates charged to its policyholders.

Rep. Todd Hunter (R-Corpus Christi) has lobbied hard against TWIA rate hikes, including last year when the Texas Department of Insurance (TDI), which oversees TWIA, rejected the association's proposal to raise rates 5 percent.

In 2021, the legislature passed Rep. Mayes Middleton's (R-Wallisville) House Bill (HB) 769 that restricts when the association can vote on a rate increase and requires it to purchase reinsurance and catastrophe modeling from different companies.

The original version included a requirement that TWIA move its headquarters to one of the 14 counties it serves, rather than remain in Austin where it currently sits. But that did not make the final product.

Back in July, Rep. Briscoe Cain (R-Deer Park) sent an opinion request to the OAG inquiring whether Texas' prohibition against state agencies lobbying on legislation. This inquiry, Cain said, is due in part to TWIA's alleged lobbying efforts on the headquarters relocation provision.

"Records from TWIA indicate that, before HB 769 passed the House in late April of 2021, staff from the Association met with seven House members and the Speaker of the House on their 'concerns' with TWIA Headquarters relocation," Cain's letter reads.

"Shortly after House engrossment, staff from the Association met with staff of the Governor once, staff of the Lieutenant Governor once and staff of members of the Texas Senate or a Senate on six separate occasions to discuss TWIA's 'concerns' with the relocation of their headquarters."

He also contended that the premiums are "monies TWIA receives collected under the portents of state law" and thus classify as appropriated funds, despite not being directly appropriated by the legislature like the funding for its parent entity the TDI.

Cain asked three questions of the OAG:

1. Is the TWIA deemed a state agency?
2. If it is, did the meeting(s) violate the lobbying prohibition?
3. How would that violation be punishable?

Citing the Sunset Advisory Commission, Paxton concluded "that 'TWIA is not a state agency' and that 'TWIA employees are not state employees and do not receive state benefits.'"

To that end, in the opinion of the OAG, a court would not find the TWIA to have violated the state agency lobbying prohibition. Opinions by the OAG are non-binding analyses of law and assessment of the court's likely position on the issue at hand.

Pursuant to the OAG's assessment, TWIA may lobby directly or use its funds to contract out lobbying responsibilities.

"This Attorney General's opinion is consistent with case law and previous opinions concerning TWIA," TWIA Vice-President of Communications Jennifer Armstrong said in a statement to The Texan. "The Association is committed to providing lawmakers with the information they need to conduct oversight and enact legislation that enables TWIA to be there for our policyholders when they need us most."

About the lobbying allegations outlined in Cain's letter, Armstrong said, "Communications with lawmakers are conducted primarily by TWIA's Communications and Legislative Affairs Department with assistance from other departments as appropriate."

She stated that the organization neither engages in lobbying nor hires an outside lobbyist.

"A win for lobbyists. A loss for taxpayers," Cain called the opinion. "It gives me renewed energy to continue fighting for reforms on behalf of ratepayers."

Middleton echoed Cain's displeasure.

"This AG opinion will allow TWIA to continue to try and defeat legislation that would reduce windstorm insurance rates that continue to burden Gulf Coast homeowners and small businesses," he told The Texan. "Windstorm insurance costs are greater than the property tax bill for many Gulf Coast homeowners and small businesses."

The association's board is made up of individuals representing the areas of coverage along with three members representing the insurance industry and three inland representatives.

There were three other bills passed during the 87th legislative session dealing with TWIA, but HB 769 had the most ambition of reform with its attempt to move the association's headquarters.

Former Lake Ozark lawmaker's attempt to overturn Missouri's revolving door ban rejected by judge (Missouri)

A federal judge ruled last week that Missouri's two-year ban on lawmakers becoming lobbyists after their time in office would not be overturned, rejecting an argument by a former legislator that the law violated his freedom of speech.

Rep. Rocky Miller, a Lake Ozark Republican, sued the Missouri Ethics Commission last month in an attempt to block the law, alleging that his inability to register and serve a prospective client was denying him income and "bans (him) from saying certain things."

In a Thursday order, U.S. District Judge Douglas Harpool denied Miller's request, saying he "conflates his right to speak and petition with his desire to receive compensation for doing so" and that Miller's "speech is not directly burdened" by the law.

The Missouri Ethics Commission, which oversees campaign finance and lobbyist registration in the state, "has a substantial interest in regulation of quid pro quo corruption," Harpool wrote, justifying the two-year ban as defending a "sufficiently important governmental interest."

With term limits currently in place for Missouri lawmakers, many of them pivot to lobbying to use the connections and reputation they built in Jefferson City. A 2018 ballot initiative imposed a mandatory two-year gap between the end of a lawmaker's time in office and their registration as a paid lobbyist.

"The public interest in preventing quid pro quo corruption or the appearance thereof outweighs (Miller)'s purported harm in not being permitted to be paid for speech and petitioning," Harpool wrote.

Miller left the Missouri House in 2021 after eight years due to term limits. He is a licensed engineer and was seeking to lobby on behalf of a client who he said in his lawsuit he was "uniquely qualified" to serve. Paid lobbying on behalf of a client without registering with the Missouri Ethics Commission violates state law.

Political power shifts in Richmond but resistance to campaign finance limits remains the same (Virginia)

Dominion Energy bankrolling shadowy attack ads against Gov. Glenn Youngkin in rural Virginia apparently didn't convince enough legislators the state needs tougher laws reining in the company's political influence.

The record-breaking sums spent in last year's governor's race — more than $135 million combined between Youngkin and his Democratic opponent, former Gov. Terry McAuliffe — didn't inspire the General Assembly to seriously consider broader limits on money in state politics, covering all corporations, interest groups and individual donors.

And with the return to Republican control in the House of Delegates, more modest, bipartisan proposals to prevent state politicians from using campaign cash to cover personal expenses are facing surprise GOP opposition after passing the chamber 100-0 last year. Two versions of that bill, one sponsored by a Democrat and one filed by a Republican, were killed Wednesday morning in a Republican-led House subcommittee.

"I'm really stunned," said Nancy Morgan, an organizer with the citizen advocacy group MoneyOutVA, which has seen 15 of the 23 reform bills it's tracking die in the session's first weeks. "It's a good thing we've got a five-year plan."

Garren Shipley, a spokesman for House Speaker Todd Gilbert, R-Shenandoah, said he could not comment on why the Republican caucus reversed course on the personal use bills. The office of Del. Israel O'Quinn, R-Washington, who chairs the subcommittee and voted against the bills, didn't respond to an emailed inquiry. In the past, opponents have argued candidates might be too easily tripped up by the perhaps blurry line between political and personal expenses. That concern helped derail the bill late last year in the Democratic-controlled Senate, which has not yet taken up the bill in the current session.

The debate over restricting campaign cash doesn't fall neatly along party lines, with both Republican and Democratic legislators pushing reform bills. Regardless of which party has ruled committees over the years, enough bipartisan votes coalesce to block the legislation from moving forward, leaving Virginia one of about a dozen states that put virtually no limits on campaign donations.

Del. Tim Anderson, a Trump-style Republican from Virginia Beach, told a House subcommittee he believes one of the reasons he flipped a Democratic-held seat last fall was the public's perception that politicians in Richmond are beholden to powerful donors.

“Virginia is the Wild West. It’s embarrassing,” Anderson said at the Wednesday hearing. “The voters want to talk about it. The voters want it.”

The subcommittee, though, didn’t want to talk about it, unanimously voting down Anderson’s proposal to put federal-style caps on the amount of money political campaigns can take from a single donor.

According to the Virginia Public Access Project, six of the most expensive House of Delegates contests in state history occurred in 2021. In the most expensive election, the Northern Virginia matchup between Democratic Del. Wendy Gooditis and unsuccessful GOP challenger Nick Clemente, the two candidates spent a combined $4.8 million, or nearly $119 for each vote cast.

There seems to be broad agreement that the costs of running for office are growing alarmingly high, with ever-larger sums required to mount a serious campaign. But the legislature remains divided over whether tighter laws will be an improvement or push political spenders to embrace dark-money tactics to avoid any new rules.

With the Dominion-inspired proposals specifically, at least some of the divide boils down to a struggle between Dominion allies and Dominion critics. At a Senate Privileges and Elections Committee meeting this week, Sen. Lionell Spruill, D-Chesapeake, suggested a Democratic colleague who has repeatedly sought to ban political donations by Dominion and other state-regulated utilities simply had a “hard-on” against the company. Dominion is Spruill’s largest donor, according to VPAP, contributing more than $255,000 to his campaigns in the last decade.

Meanwhile, the left-leaning advocacy group Clean Virginia, which works to limit Dominion’s influence, accused legislators who killed the ban of trying to keep a big donor happy at the expense of the public good.

“Members of these powerful committees talked a tough game on the campaign trail, but ultimately defaulted to Dominion Energy over their constituents yet again,” Clean Virginia Executive Director Brennan Gilmore said in a news release.

Some Republicans said explicitly their attitudes on Dominion money changed after it was revealed the company and its top executives helped fund a shadowy PAC that ran ads against Youngkin in conservative areas painting him as soft on guns.

As he presented a bill to the Senate Privileges and Elections Committee, Sen. Richard Stuart, R-Westmoreland, said he'd taken Dominion money before but felt the company using a "surreptitious" PAC to try to sway an election was "beyond the pale."

"I felt compelled to file this bill to try to stop this activity," Stuart said. "Because clearly they've become too powerful in Richmond."

Dominion critics have long argued state-regulated utilities should be treated differently than other corporate interests due to their unique status as monopolies with captive customers who have used their influence at the General Assembly to pad their profits at the expense of ratepayers.

Youngkin privately signaled his support for a bill limiting Dominion's political spending, according to the Richmond Times-Dispatch. But his office did not confirm that stance publicly, and it didn't appear to sway many Republican votes.

Dominion didn't have its own staffers testify against the bills, instead sending a McGuireWoods lobbyist to reiterate the company's position that the bills infringe on free speech rights and, if the state is going to pursue campaign finance reform, it should restrict all sources of money equally.

"This is banning political speech by two corporations," said Chris Nolen of McGuireWoods, referring to a bill that would impact Dominion and Appalachian Power. "And when you do that, you elevate the speech of others."

Broader bills putting limits on all donors have also gone down in defeat, partly out of concern they'll invite more wealthy candidates who can use their own fortunes to fund a campaign.

"I think if you have folks who are able to give themselves two or three million dollars then it just puts people like me at a disadvantage," Del. Candi Mundon King, D-Prince William, said during a hearing.

Staff attorneys advised lawmakers they'd run into legal trouble by restricting self-funding by candidates or their family members, citing case law indicating governments have less power to regulate self-funding because it doesn't involve outside parties seeking political influence.

That concern is a fresh one after Youngkin, a newcomer to state politics who amassed a sizable fortune in his private equity career, won last year while loaning his campaign $20 million of his own money.

Creating limits that wouldn't apply to self-funders, said Sen. Jill Vogel, R-Fauquier, argued in the Senate, would only encourage parties to recruit the wealthiest candidates they can find.

"Contributions are speech. When you set up artificial barriers to speech, people find ways around it. I think sunlight is the best way," Vogel said. "It's imperfect, but I think it's, in Virginia, as good as we can get right now."

A handful of bills meant to boost transparency in political spending are still alive.

Some require more disclosure for PAC spending and ads clearly meant to erode a candidate's support without explicitly telling people to vote against them. A bill moving through the House would require political campaigns to keep more detailed spending records that state election officials could review for accuracy, tightening a system that currently has few checks to ensure candidates are properly disclosing all their spending.

Another bill would require the state to maintain its own searchable campaign finance database similar to the one currently provided by VPAP, a donor-funded nonprofit. Anderson, the bill's sponsor, said he has nothing against VPAP, but believes the state shouldn't rely on a third party to parse and publish data the government could publish on its own.

As for the more sweeping proposals, they appear to be going back to the same study committee that was supposed to take an exhaustive look at campaign finance reform last summer.

Because that work wasn't finished by the original deadline, lawmakers will have to approve another resolution this session extending the study.

Hoboken councilwoman sues city over new campaign finance law (Hoboken, NJ)

Hoboken Councilwoman Tiffanie Fisher has filed a lawsuit against the city to strike down the campaign finance law that she says was illegally approved in December.

The suit, filed in Hudson County Superior Court, asks that the court to "nullify and void" the ordinance, which would remove the $500 limit on campaign contributions from unions to candidates for elected office in the city and follow the state guideline of $7,200 per candidate.

Fisher argued that under the law, the ordinance was amended so significantly prior to the second reading and final vote that the amended version should have gone back for a new first

reading. The amended version failed on it first vote, but Councilwoman Vanessa Falco, who had voted against it, asked for a re-vote and the ordinance then was approved.

In the lawsuit, Fisher says she and the city council were only made aware of the late revision to the ordinance 45 minutes prior to the meeting on Dec. 15. She says in the suit that she asked city attorney Brian Aloia for an opinion prior to the vote, but was told that he hadn't had enough time to look over the amended version.

She pointed out in the lawsuit that two weeks after the vote Aloia recommended a new vote on the ordinance to avoid any procedural legal challenges in the future.

The ordinance is contingent on a ruling in an ongoing lawsuit involving Councilman Mike DeFusco, who has been accused of receiving donations from unions in excess of the city's $500 limit. The new ordinance would only take effect if a judge ultimately decides that the original rule is unenforceable.

Councilmembers Phil Cohen and Emily Jabbour, who sponsored the ordinance, could not be reached for comment.

"Weakening Hoboken's campaign finance laws goes against the will of Hoboken's citizenry," Fisher said in a statement. "On all issues before the City Council, Hoboken residents and members of the public have the right to be heard, and especially one of this importance which they were denied."

The lawsuit also asks for an order saying the city council violated procedural and Open Public Meeting Act laws, and order stopping the ordinance from being enforced and an order awarding Fisher attorney's fees and costs of suit.