



M U L T I S T A T E

### [Judge Denies Abrams Bid to Seek Unlimited Contributions](#) (Georgia)

Georgia Democratic gubernatorial candidate Stacey Abrams cannot immediately begin raising and spending unlimited campaign contributions under a state law passed last year because she is not yet her party's nominee, a federal judge ruled Thursday.

Abrams and her One Georgia committee filed a lawsuit last month challenging the constitutionality of the new law, which allows certain top elected officials and party nominees to create “leadership committees” that can raise campaign funds without limits. But they also asked the judge to order the state ethics commission not to take any action against them if they continue to raise money before the primary next month.

“This Court will not rewrite Georgia law to enable One Georgia to stand in the same shoes as a leadership committee that, in Plaintiffs' view, is operating in violation of the First Amendment,” U.S. District Judge Mark Cohen wrote in his order.

Abrams' campaign manager Lauren Groh-Wargo said after the ruling that it's even more important now for supporters to donate directly to the campaign.

The law allows the governor and lieutenant governor, opposing major party nominees, and both party caucuses in the state House and Senate to form leadership committees. Unlike traditional political action committees, they are allowed to coordinate with a candidate's campaign.

Leadership committees can also collect unlimited contributions, while candidates for statewide office cannot collect more than \$7,600 from an individual donor for a primary or general election and \$4,500 for a runoff election.

The lawsuit noted that the new law allows Republican Gov. Brian Kemp to raise unlimited funds while Abrams is constrained by the contribution limits.

Abrams is the only Democrat who qualified to run for governor, which means she is effectively the party's nominee, her lawyers argued. State party chair U.S. Rep. Nikema Williams submitted a sworn statement saying that Abrams is the party's nominee.

But state law is unambiguous in requiring a candidate to be selected in a primary election to be considered the nominee, Cohen wrote. Georgia's primary election is set for May 24.

Abrams and her committee could have followed the path chosen earlier this year by former U.S. Sen. David Perdue, who is challenging Kemp in the Republican primary. Perdue sought to stop Kemp's leadership committee Georgians First from soliciting or receiving contributions and to stop it from spending money to promote his reelection.

Cohen ruled in February that Kemp could not spend any more money from the committee on his primary campaign. But he said the committee could continue to receive contributions and spend money in support of other public officials in accordance with campaign finance laws. Kemp has appealed the ruling.

Cohen wrote that Abrams and her committee chose an “untenable option” by asking to be allowed to raise unlimited funds under a law that they contend is unconstitutional. He also rejected the attempt to prevent a Georgia state agency from enforcing a law that says a nominee for governor is chosen in a primary.

Cohen's ruling was not a surprise. He was clearly skeptical of Abrams' requests at a hearing earlier this week.

### [\*\*Ethics reform bill passes Senate despite barrage of complaints from dark-money groups\*\*](#) (Tennessee)

Tennessee lawmakers are poised to pass [\*\*an ethics and campaign finance reform\*\*](#) bill, despite strong opposition from dark-money organizations.

Nonprofit political spending organizations like Americans for Prosperity, Tennessee Students for Success and Tennessee Stands have decried the bill as government overreach because it will require them to disclose spending around an election.

Under current rules, these groups classified as 501(c)4s, often considered dark-money organizations because they don't have to disclose donors, can use a candidate's name and image in advertisements before an election. But as long as they don't expressly advocate for the candidate, they aren't required to disclose their campaign spending.

The legislation would require these groups to disclose any expenses over \$5,000 in the 60 days leading up to an election when using candidate names and images.

Republican leadership in the Senate and House are sponsoring the bill, a rarity usually reserved for legislation backed by the administration.

In an email to supporters, Tennessee Stands called the bill a "constitutional travesty."

"Republican leadership is running a bill that would in effect censor small conservative groups across the state 60 days prior to every election," the organization said. "Are we living in China?"

Sen. Ferrell Haile, R-Gallatin, presented the bill in the Senate. He said the legislation's opponents were misrepresenting the bill, and emphasized it doesn't stop their ability to spend money.

Rep. Sam Whitson, R-Franklin, said the legislation creates more accountability for those groups because it's almost impossible to track the spending of 501(c)4s organizations.

The legislation, [filed under HB 1201](#), also addresses transparency and accountability with the Tennessee Registry of Election Finance, lawmaker disclosures surrounding campaign service companies and disclosure of those behind political action committees.

[The legislation closely follows increased scrutiny](#) on activities by former Rep. Robin Smith, R-Hixson, Rep. Glen Casada, R-Franklin, and Casada's former top aide Cade Cothren.

[Smith pleaded guilty in March to a federal wire fraud charge](#) for her involvement with the shadowy firm Phoenix Solutions, while multiple lawmakers testified before a grand jury earlier this month in what is considered to be an ongoing federal investigation.

Several provisions in the bill are in direct response to activities outlined in federal court documents.

On Thursday, the Senate passed the bill 25-3. Sens. Janice Bowling, R-Tullahoma, Mark Pody, R-Lebanon, and Joey Hensley, R-Hohenwald, voted against the legislation.

The House version of the bill is still in the committee process.

## [Formal complaints allege campaign finance violations by 2 of Arkansas' state treasurer candidates](#) (Arkansas)

State Rep. Mark Lowery, R-Maumelle, and state Sen. Mat Pitsch, R-Fort Smith, will vie for the Republican nomination for the constitutional office in the May 24 primary.

A complaint submitted to the Arkansas Ethics Commission on April 4 alleges that Pitsch over-reimbursed himself for campaign mileage, while a complaint submitted to the commission Monday contends that Lowery filed misleading or incomplete campaign finance reports and that he has not reported a 2017 bankruptcy filing that he is in the process of resolving on his statements of financial interest.

Arkansas Ethics Commission Director Graham Sloan said he could not confirm the complaints' existence because the law requires the commission to keep pending matters confidential.

Sloan said all violations of laws under the Ethics Commission's jurisdiction carry the same sanctions, which can include the issuance of a public letter of caution, warning or reprimand and/or the imposition of a fine ranging from \$50 to \$3,500.

The complaint against Pitsch was submitted by Adam Key, an assistant professor at the University of Arkansas at Monticello. Reached by phone Tuesday, Key said Lowery, whom he knows through debate competitions, had mentioned issues with Pitsch's campaign finance reports to him. Key said he is not a Republican nor part of Lowery's campaign, but dug into the issues himself because of his own interest in ethics and good government.

The complaint states that Pitsch reimbursed himself for mileage at a higher rate than the rate for state employees. According to Sloan, candidates are allowed to be reimbursed for campaign-related travel at the state employee rate, which was 42 cents per mile but was temporarily raised to 52 cents per mile in March.

On campaign finance reports covering April 2021 to February 2022, Pitsch reported reimbursing himself for mileage at a rate of 52 cents per mile in 2021 and 58 cents per mile in 2022. Pitsch announced that he would run for state treasurer in February 2021.

Pitsch characterized the complaint as a political attack from Lowery.

"My initial response is this is nothing more than a bait-and-switch from my opponent," he said by phone Wednesday.

Stu Soffer, a former member of the state Board of Election Commissioners and the Jefferson County Election Commission, submitted the complaint about Lowery's reports. Soffer said he has "no affiliation whatsoever" with either campaign and that nobody asked him to submit the complaint but that he is "concerned about good government."

"I just read a couple things, did some research and thought, what the heck," Soffer said. "It's public documents, people talk, and I just have time to look into it."

Soffer's complaint states that Lowery's finance reports appear to contain "materially misleading" or incomplete dollar amounts for the beginning and ending of the reporting periods. Soffer also said Lowery failed to meet filing deadlines and that none of his statements of financial interest list debts to creditors despite the fact that Lowery is in the process of resolving a 2017 bankruptcy filing.

Lowery launched a bid for secretary of state in June 2021, then pivoted to the treasurer's race in January.

Records available on the secretary of state's website confirm that Lowery did not report the bankruptcy on any of the statements of financial interest he has filed since 2018, and show that two of the three campaign finance reports he filed in his secretary of state bid were turned in after the deadline. The two campaign finance reports he had filed for his treasurer bid as of Friday evening were filed on time, according to online records.

In his last report for the secretary of state's race filed in February, Lowery reported a balance of \$10,289.32. In his first report for the treasurer's race, filed a day later, he reported a starting balance of \$50,289.32 at the beginning of the reporting period.

Lowery previously told the Democrat-Gazette that the balance for his treasurer campaign at the end of February includes his carryover from his 2020 campaign for state House as well as contributions from donors to his former secretary of state campaign that authorized the transfer of their contributions to his treasurer campaign.

Shown the complaint, Lowery said he would reserve comment until contacting the Ethics Commission.

"The complaint is so full of factual inaccuracies and allegations that have no bearing to the truth that I will reserve comment until I have met with Ethics Commission staff and a possible request for a hearing before the Commission to refute the complaint," he said in an email.

Lowery added that his opponent's "sycophant" supporters were resorting to a "kitchen sink" strategy of hurling false ethics complaints to distract from Pitsch's record.

Pitsch said his campaign did not ask Soffer to make the complaint.

"We have nothing to do with anything like that," he said.

Arkansas' treasurer serves as the state's banker and manages an investment portfolio of more than \$5 billion. The officeholder is paid \$95,693.76 annually. The incumbent, Republican Dennis Milligan, is term-limited and running for state auditor.

Early voting for the primary begins May 9, and the deadline to register to vote in that election is April 25. The winner of the Republican primary will face Democrat Pam Whitaker of Little Rock in November's general election.

### **[Court finds Tennessee Bureau of Ethics and Campaign Finance guilty of contempt \(Tennessee\)](#)**

A judge on Monday deemed the Tennessee Bureau of Ethics and Campaign Finance guilty of “willfully” violating a court order barring the collection of registration fees from nonpartisan political action committees.

Senior Judge Thomas J. Wright ruled the state agency defied his injunction—issued in 2018 and upheld by the Tennessee Court of Appeals a year later—against collecting fees under a law the judge and the appellate court concluded was unconstitutional.

“The injunction at issue is clear and unambiguous ... simple and straightforward,” Wright wrote in a ruling made public Monday. “(The agency) made a conscious decision to enforce the statute. A conscious choice is a deliberate action. A deliberate action is willful.”

Wright is ordering the state agency to refund the \$64,000 in registration fees collected in violation of his injunction and is threatening “coercive fines” if the agency fails to do so within 15 days.

The contempt ruling comes after a nonpartisan political action committee—Tennesseans for Sensible Election Laws—successfully challenged the constitutionality of a state law that required nonpartisan PACs pay a \$100 registration fee but spared partisan PACs from doing so.

Wright ruled in 2018 that the law was unconstitutional because it did not equally apply to all PACs and instead favored PACs funded by political parties. As part of that ruling, he ordered the state agency to stop collecting the fee.

The Tennessee Legislature, in turn, sought to fix the law by amending it to include partisan PACs, but the Court of Appeals opined in 2019 that the Legislature's amendment fell short because it still spared "single candidate" and "single issue" PACs from paying the same fee.

The campaign finance agency honored Wright's injunction for more than two years but changed course in January 2021 "apparently after some discussion with the Tennessee Attorney General's office," according to Wright's contempt order.

Attorney Daniel Horwitz, who represented Tennesseans for Sensible Election Laws along with lawyers Jamie Hollin and Lindsay Smith, lauded Wright's ruling in a Monday news release.

"Court orders are not voluntary — even for the state officials who wrongly believe themselves to be above the law," Horwitz said.

**[Lobbying loophole leaves B.C. government wide open to ethical problems: expert](#)**  
(British Columbia, Canada)

The BC NDP government ended the "wild west" of political campaign financing after it came to power in 2017, but left the door wide open to lobbying by party friends and insiders.

"So corporate money has moved that way," said Daniel Gold, who studied the history and regulation of lobbying for a doctorate in constitutional law and public policy at the University of Ottawa.

Just as the corporate money moved to lobbying, so did party insiders.

Former BC NDP president Craig Keating joined two former party executive directors at the Vancouver office of a Seattle-based lobbying firm, Strategies 360, and registered April 7 to lobby for marijuana farmer Tantalus Labs. Former Ministry of Health communications executive director Jeffrey Ferrier is now a senior vice-president at Hill and Knowlton, where he registered on behalf of COVID-19 vaccine-maker AstraZeneca.

Gold authored the doctoral thesis “Lobbying Regulation in Canada and the United States: Political Influence, Democratic Norms and Charter Rights” in 2020. He analyzed the history and ethics of lobbying, as well as the lobbying and campaign donations axis.

“They're both ways of influencing political figures and, in many ways, they work together,” Gold said. “So if you give a donation, then you get access to politicians. And once you have access to politicians, you can raise your concern. The politician [that] feels indebted to you is more likely to take your concerns seriously.”

In 2017, Premier John Horgan’s party fulfilled a campaign promise to ban corporate and union donations, and set an annual cap for individuals. They also strengthened lobbying regulations, but did not go far enough to close the revolving door, Gold said.

“They've left, maybe deliberately, maybe accidentally, a lot of loopholes out. And the revolving door issue is maybe one of the biggest ones.”

Certain senior public office holders, such as cabinet ministers and deputy ministers, are banned from lobbying for two years after they leave government. But other public employees, who may have worked even closer with key decision makers, are allowed to become lobbyists after they quit, with no cooling-off period. Ferrier falls in the latter category, because he officially worked in Government Communications and Public Engagement, not directly under Health Minister Adrian Dix.

Gold said the revolving door ban should be a full-term of government, rather than just two years. “We have to take account for that, and when we don't, we end up with situations like this.”

Keating entered the lucrative lobbying industry when he exited the party presidency last December after eight years. That’s something that would be frowned upon federally, where the code of conduct says a former party executive is in a conflict of interest when a sense of obligation exists with a public office holder that the lobbyist helped elect.

B.C. doesn’t have a standalone code of conduct. The lobbying registrar unsuccessfully proposed in 2013 that it be built into the law. The BC Liberal government and the BC NDP one that followed didn’t agree. Instead, a lobbyist need only pledge to follow guidelines set by a trade group. In Keating’s case, that’s the Public Affairs Association of Canada.

“The [Lobbyists’] Code of Conduct doesn't stop everything, but at least tells you there are boundaries and encourages people to stick within those boundaries, and B C's failure to enact a

code of conduct or, or take that code of conduct and turn into regulation and some other form has left this loophole,” Gold said.

Keating joined Strategies 360 almost a year after former BC NDP executive director Raj Sihota became a vice-president for the firm. Michael Gardiner was already there. The president of the Canadian division is another former BC NDP executive director who managed Horgan’s winning leadership campaign. One of Gardiner’s clients is also one of the government’s biggest suppliers, Telus.

The number of former party officials now working for Strategies 360 echoes an earlier era. After Mike Harcourt led the BC NDP to victory in 1991, the core of his campaign team, Ron Johnson and Shane Lunny, opened ad agency Now Communications Group. The firm continues to this day, regularly scoring government advertising contracts.

More than 30 years later, lobbying has gained power while traditional, mass-media advertising is diminished amid media fragmentation and the rise of social media and micro-targeted campaigns.

Keating and Ferrier aren’t the only party insiders who benefited from the lobbying revolving door. Horgan’s former speechwriter, Danielle Dalzell, joined Earncliffe Strategies in 2020. Jean-Marc Prevost became associate vice-president in 2021 of Counsel Public Affairs after working as senior communications director for the Ministry of Health. His job included writing scripts for Dr. Bonnie Henry. One of Prevost’s first clients was AstraZeneca contractor Emergent BioSolutions.

Horgan himself has benefited from the revolving door. After the BC NDP fell from power in 2001, Horgan and fellow out-of-work political aides John Heaney and Ian Reid formed the IdeaWorks consultancy. They helped casino clients successfully lobby Vancouver city hall to overturn its ban on slot machines.

“The influence, the combination of lobbying, combined with sort of public pressure has changed, you're no longer trying to get all the public behind something unless it's a really big thing,” Gold said. “Mostly, you're just trying to get the key decision makers and maybe a few key supporters behind something, and you can do that without the public ever seeing what it is. You can do that just by specifically targeting that person.”

Ultimately, Gold said, lobbying is a core tenet of the democratic process. But it is also corrosive to democracy.

“If you think about the interactions, you know, we elect a government every four years, whereas the lobbyists might be into the same office once a month, sometimes once a week, raising their concerns and, I'd say, massaging the output of government.”