



[Organizations spent \\$72 million on lobbying in Minnesota last year](#) (Minnesota)

Advocacy groups spent more than \$72 million lobbying Minnesota's government last year, a jump of around \$5 million from 2020 and a figure that signals a return to normal for groups looking to influence elected officials.

The \$68 million that organizations spent on lobbying in 2020 was the lowest the state had seen since 2012. [Jeff Sigurdson](#), executive director of the Minnesota Campaign Finance Board, said that's a result of the pandemic relegating formerly in-person, often ad-hoc meetings to more formal Zoom calls.

"Lobbying efforts in Minnesota are almost entirely paying lobbyists for face time with elected officials," Sigurdson said. There are occasionally grassroots efforts funded by lobbying groups, "but relatively speaking, expenditures are just paying for lobbyists."

In 2021 and the start of 2022, though, lobbying groups' efforts influencing Minnesota's government appears to be looking more like it was before the pandemic.

"You can tell they're getting back to normal," Sigurdson said, adding that things aren't quite all the way back to business-as-usual.

Out of the 25 organizations that spent the most on lobbying, the Minneapolis Regional Chamber of Commerce — by a big margin — saw the biggest yearly increase in spending, allocating \$1.4 million in 2021 compared to \$54,000 in 2020.

The organization, which advocates for local business interests, devoted much of its efforts to defeating the proposed Minneapolis amendment that would have replaced the city's police department with a public safety department, as well as supporting Mayor [Jacob Frey](#)'s reelection campaign and the successful amendment to strengthen the mayor's power.

"This was far and away the largest effort we've undertaken," said [Jonathan Weinhagen](#), the chamber's CEO.

The chamber [merged with TwinWest Chamber of Commerce in 2020](#), creating a 2,300-member organization that was tied with the Minnesota Chamber for the largest chamber of commerce in the state last year, according to Business Journal research.

Weinhagen said that with the merger over and done with, the chamber won't spend as much on lobbying in the future as it did last year, but it won't stop its lobbying efforts.

"I would imagine it would level off, but with the merger, we're planning on increasing our advocacy," he said.

Despite the overall increase in lobbying dollars, 2021 pales in comparison to the \$79 million organizations spent in 2018 to influence lawmakers. Much of that year's lobbying efforts were on the part of Enbridge Energy Partners, which spent nearly \$11 million in 2018 influencing the Public Utilities Commission, the most it had spent since at least 2009 and the most spent in 2018 out of any organization. Last year, Enbridge had the biggest drop in its spending, falling to \$360,000 for 2021, compared to \$1.4 million in 2020. The Canadian pipeline company had spent years advocating for the controversial Line 3 pipeline replacement project, which started pumping oil last fall.

[Sexual harassment scandal triggers ouster of lobbyist for PG&E wildfire victims](#) (California)

A lobbyist trying to secure state aid for PG&E Corp. wildfire victims has been [removed from his post](#) over a sexual harassment scandal at a CSU campus where his wife is president.

Patrick McCallum, a veteran lobbyist who came out of retirement to work for the PG&E Fire Victim Trust, was dismissed [one day after briefing Gov. Gavin Newsom's aides](#) about a possible bailout for the beleaguered trust.

McCallum's dismissal is a potentially significant setback for the trust's efforts to secure financial help for fire victims. McCallum spent years lobbying at the Capitol on education issues and became a high-profile advocate on fire-related issues after his house burned down in the 2017 Tubbs Fire in Santa Rosa.

"Providing economic benefits as quickly as possible to the Trust's 70,000 wildfire victims has been our highest priority," said retired Appellate Court Justice John Trotter, who oversees the

trust, in a prepared statement. “We want our entire focus to be on what we’re doing to help fire victims rebuild their lives, not on unrelated issues that have become a distraction in recent days.”

Earlier this month, the Los Angeles Times reported that the California State University system [paid a \\$600,000 settlement](#) to a former Sonoma State University official over claims that McCallum – the husband of university president Judy Sakaki – had sexually harassed several women.

The former official, Lisa Vollendorf, said she was subjected to retaliation after she reported the harassment allegations.

On Monday, the day before McCallum briefed the governor’s staff about the wildfire victims, Sakaki announced she was separating from her husband.

State Sen. Bill Dodd, D-Napa, who has criticized Sakaki’s handling of the matter, said he was pleased that the fire victim trust had dismissed McCallum.

“This was a prudent decision that will allow the Legislature and governor’s office to have someone credible we can work with to support wildfire victims,” he said in a prepared statement.

McCallum said he’s “very proud of the work that I’ve done for the (trust) in helping come up with solutions, and in setting up with the governor’s office and legislators the opportunity for them to step up and help the 66,000 wildfire victims.”

The trust, which is independent of PG&E, is supposed to dispense \$13.5 billion to fire victims. It was given \$6.75 billion in cash and 477 million shares of PG&E stock – the latter to be sold off periodically to help pay claims – as part of the utility’s bankruptcy settlement.

The trouble is that PG&E’s stock price has been trading at around \$12 a share – about \$2 less than what’s needed to fully fund the payouts to victims.

The trust hired McCallum to lobby the governor and the Legislature for a \$1.5 billion loan. McCallum said the loan would enable the trust to sit on its PG&E shares long enough for the stock price to rise above \$14 a share. That could happen about a year from now, when PG&E is expected to resume paying dividends to shareholders, a move that could boost the stock price.

[Top NM GOP official allegedly violated campaign finance laws](#) (New Mexico)

A complaint filed this week with the Federal Election Commission alleges the executive director of the New Mexico Republican Party helped funnel \$100,000 through a shell company to support Mark Moores during his failed bid for the U.S. House last year – a violation of campaign finance laws.

The Campaign Legal Center, a nonpartisan campaign watchdog group, brought the complaint against Kimberly Skaggs, the executive director of the Republican Party of New Mexico, other members of the Skaggs family, any unknown persons, Teeter Jay, LLC and the Freedom Forward Fund and its treasurer. The fund, according to the complaint, is a registered political committee that reported receiving \$100,000, which was used against Rep. Melanie Stansbury, a Democrat who now holds the seat.

Kimberly Skaggs and Republican Party officials didn't respond to requests for comment on Thursday.

A representative with Stansbury's campaign declined to comment.

Saurav Ghosh, the director of Federal Reform at Campaign Legal Center, said in an interview the group doesn't know the source of the donations totaling \$100,000. But the group says there is sufficient evidence members of the Skaggs family were part of an effort to make a large contribution to a Political Action Committee without disclosing the source. The complaint is calling on the FEC to launch an investigation into the donations.

"It's one of many examples of wealthy donors and special interests using a shell company to make contributions in the name of another," Ghosh said. "This is not a unique occurrence, and this is really emblematic of a larger problem in campaign finance law."

The complaint says Teeter Jay, LLC registered as a New Mexico domestic limited liability company in August 2019. The registration discloses that the company is managed by a single member, Terryl Jay Skaggs. Teeter Jay's mailing address is listed as a Las Cruces property owned by Kimberly and Joseph Skaggs.

"Teeter Jay has no website, social media account, business listings or online records, or any other discernible online presence," the complaint states.

The company and the Skaggs family took an interest in the special election called to decide who would replace Deb Haaland after she resigned her House seat to become President Biden's interior secretary.

In April 2021, Moores' authorized campaign committee reported receiving \$2,900 – the maximum individual contribution – from both Kimberly and Joseph Skaggs. Kimberly used the same Las Cruces address as Teeter Jay's mailing address, according to the complaint.

In May 2021, the Freedom Forward Fund reported receiving two \$50,000 donations from Teeter Jay, according to the complaint.

In a campaign finance report, the fund listed Teeter Jay's address as a Tularosa property that does not appear anywhere on the company's LLC registration document.

Those two donations accounted for about 90% of the Freedom Forward Fund's total donations, according to the FEC's website.

FEC filings show that between May 11, 2021, and May 28, 2021, the fund spent \$94,643 opposing Stansbury, Moores' opponent in a June special election. Most of it was spent on digital advertising.

Stansbury won the election 60% to 36%.

The complaint says there is reason to believe Kimberly, Joseph and Terryl Jay Skaggs, and possibly other unknown people, violated campaign finance laws that prohibit individuals from making donations in the name of another. The complaint also alleges that Teeter Jay and the Freedom Forward Fund violated campaign finance laws.

“Straw donor contributions like those alleged here are serious violations of federal campaign finance law that have led to criminal indictments and convictions in recent years,” the complaint states.

Besides seeking an FEC investigation into the donations, the complaint asks the agency to impose sanctions and civil penalties to deter future violations. Ghosh said the federal agency can also make referrals to the Justice Department if it believes criminal laws were violated.

He said voters have the right to know who is spending big to influence their vote.

“Transparency is essential to our electoral process, but it is seriously undermined when wealthy special interests trying to rig the political system in their favor can conceal their identities by making political contributions through shell companies,” Ghosh said in a statement. “This shell game of electoral spending violates federal campaign finance laws, but so far, federal authorities have not prioritized the enforcement of those laws. Real transparency about who is spending big money on elections means greater accountability and less corruption.”

[Supreme Court will not hear challenge to RI campaign finance law. Here's what we know](#) (Rhode Island)

The U.S. Supreme Court will not take up a Rhode Island [conservative advocacy group's challenge](#) to the state's campaign-finance laws.

[The Gaspee Project](#) and national conservative legal groups appealed to the high court after two lower federal courts ruled against their 2019 lawsuit arguing that Rhode Island's campaign-finance disclosure laws are unconstitutional.

The Supreme Court denied Gaspee's appeal petition Monday. It did not elaborate as to why it won't take the case.

The Campaign Legal Center and Rhode Island Attorney General Peter Neronha [defended the state's campaign-finance laws in the case](#).

“To reduce political corruption, we need real transparency about who is spending big money in elections and to that end, voters in Rhode Island have a right to know who is attempting to influence their votes,” Campaign Legal Center Senior Vice President Paul Smith said in a news release. “This denial of review from the Supreme Court of the United States means that vital right will remain in place and continue to enable Rhode Islanders to be well-informed before heading into the voting booth.”

The 2019 lawsuit by Gaspee and the Illinois Opportunity Project sought to strike down Rhode Island's disclosure laws around "independent expenditures" – spending to influence an election that is not coordinated with any campaign.

Rhode Island requires independent expenditure groups to disclose all donors giving at least \$1,000 and for the advertisements themselves to list the group responsible and top five largest donors.

The plaintiffs, represented by the Liberty Justice Center, argued that making donors identify themselves could subject them to criticism and harassment. They called for a judgment-free "safe space" for political contributions.

First U.S. District Court Judge Mary McElroy and then First Circuit Court of Appeals Judge Bruce Selya ruled against Gaspee.

Selya described some of the arguments in the lawsuit as "a Rumpelstiltskin-like effort to turn dross into gold."

On Monday the Liberty Justice Center said it was disappointed by the result and "will continue to fight for free speech."

"Denial of [petition of certiorari] is never a reflection of the court's view of the merits of a case," Daniel Suhr, managing attorney at the Liberty Justice Center. "These laws are being considered and adopted in other states, and we will continue to challenge them to bring this issue back in front of the court."

On Monday, Neronha said state campaign-finance laws are important for maintaining an informed electorate.

"Such information is critical to voters evaluating the messaging they are subjected to by those spending significant sums of money to influence their decisions," Neronha said in a news release. "An informed electorate is integral to our democracy, and the court's action sends a strong message in support of that principle."

Rhode Island independent expenditure disclosure law was passed in response to the Supreme Court's 2010 Citizens United decision, which struck down earlier restrictions to independent expenditures.

Common Cause Rhode Island, which advocated for the disclosure law, said it's been a success.

"The law was passed in 2012 to protect Rhode Island elections from being overwhelmed by dark money, and it remains an important tool for voters who want to know who is spending money to influence their votes," Common Cause Rhode Island Executive Director John Marion Jr. said in a news release.

[Mich. Senate Republicans pass bill in response to excess donations to Whitmer campaign](#) (Michigan)

GOP lawmakers in the Michigan Senate passed a bill Tuesday to overhaul campaign finance rules after Gov. Gretchen Whitmer received campaign contributions that exceeded normal contribution limits.

While Michigan's campaign finance laws currently cap individual donations to candidates at \$7,150, Whitmer's campaign received [six-figure contributions from several individual donors](#). She collected at least [\\$3.4 million](#) in excess contributions, citing unlimited donations allowed under a decades-old campaign finance ruling laying out an exception for candidates facing a recall effort.

In a court filing, Secretary of State Jocelyn Benson said that Whitmer's campaign had to [return contributions exceeding normal limits](#) to donors or donate any funds not spent fighting a recall effort. Whitmer subsequently sent millions in excess funds to the Michigan Democratic Party after the recall efforts officially died.

The GOP bill — [SB 788](#) — would establish a new type of political fund under Michigan's campaign finance laws called a "recall committee" that candidates facing a recall effort would solicit funds for to defend themselves against a recall campaign. Donations to recall committees would be subject to caps on par with those on individual donations to candidate committees.

Candidates would be barred from making expenditures from a recall fund until election officials determine that a recall petition submitted against them is valid. If the recall effort fails, donations would have to be returned to donors. If the recall effort is declared invalid, candidates wouldn't be able to accept contributions or make expenditures from the recall committee.

There was no floor debate on the bill, which passed 21-15 on a party-line vote. It now heads to the state House.

Whitmer's campaign has cited a 1984 ruling issued by former Michigan Secretary of State Richard Austin that determined that when a candidate faces a recall, they are not subject to donation limits because recall campaigns can accept unlimited contributions.

Whitmer's opponents argued that she used a loophole in campaign finance rules and have accused her of illegally accepting unlimited contributions.

The Michigan Freedom Fund, a conservative group, [filed a complaint](#) with the Secretary of State's Office alleging that Austin exceeded his authority with the ruling and Whitmer violated campaign finance rules.

The office's Bureau of Elections found that Whitmer's campaign [did not violate state law](#), but wrote in a letter dismissing the complaint that "the recall exception as currently defined does create the potential for abuse by allowing otherwise-excess contributions to be used for what would otherwise amount to campaign advertising."

The Michigan GOP also filed a lawsuit last fall asking a federal court to [block unlimited campaign donations to Whitmer](#). A [federal judge dismissed the lawsuit](#), finding that the party lacked legal standing to bring it. The Michigan GOP has appealed the ruling.

[In Democratic runoff for South Texas congressional seat, nonprofit backing a candidate is accused of campaign finance violations](#) (Texas)

As Democratic voters prepare to pick their party's nominee for one of the nation's most closely watched congressional races, a Rio Grande Valley nonprofit is being accused of violating federal campaign finance law for how it has backed one of the candidates.

Michelle Vallejo, a small business owner from Alton, faces Ruben Ramirez, a former candidate for the seat, in the May 24 Democratic primary runoff for South Texas' 15th Congressional District. Vallejo's most important backer is LUPE Votes, the political arm of La Unión del Pueblo Entero, a nonprofit founded by the famed labor-rights activists César Chávez and Dolores Huerta.

The nonprofit that LUPE Votes operates did not disclose its spending in the primary until over a month after it ended, missing deadlines for disclosure, including some that fell before the March 1 contest. Now, a Ramirez supporter has filed a [complaint with the Federal Election Commission](#) that calls out the late filing and accuses the nonprofit of illegally coordinating with Vallejo's campaign as she secured a place in the runoff by just over 300 votes.

"Given this tight margin, LUPE Votes' undisclosed, improperly disclaimed, and potentially illegal spending may have played an essential role in" Vallejo's advancement to the runoff, the complaint says, accusing Vallejo of not living up to her platform of reforming campaign finance rules.

LUPE Votes declined to comment, but lawyers advised the group at the start of the primary about how to make sure it did not run afoul of FEC coordination rules, according to a memo obtained by The Texas Tribune.

The FEC complaint was filed last week by Alma Espinoza, a teacher from the Rio Grande Valley who has donated \$1,200 to Ramirez's campaign, according to FEC records. Ramirez's campaign declined to comment on the complaint other than to emphasize the need for Democrats to nominate someone who can win in November. Vallejo's campaign responded similarly, saying its "incredible momentum shows Michelle is the best candidate to win in November."

The runoff is being closely watched because the 15th District is Republicans' top pickup opportunity in November as they [push to make new inroads in South Texas](#). They already have a nominee, Monica De La Cruz, who won her primary outright.

Vallejo is running as an unapologetic progressive, while Ramirez is making a more moderate pitch, arguing national Democrats have [gone too far to the left for South Texans](#). Vallejo's platform advocates for campaign finance reform and calls for the repeal of Citizens United, the landmark 2010 U.S. Supreme Court decision that paved the way for more big money in politics.

LUPE Votes recruited Vallejo last year after the current 15th District incumbent, Rep. [Vicente Gonzalez](#), D-McAllen, decided to [seek reelection in a neighboring district](#) due to [redistricting](#). The group was looking for a progressive Democrat with deep community ties.

Last week, a 501(c)(4) nonprofit operated by LUPE Votes disclosed that it had spent \$51,000 helping Vallejo in the first quarter of the year, paying for canvassers and literature like direct mail and door hangers.

The individual expenses for such work and materials — known as independent expenditures — should have been reported earlier. The FEC generally requires independent expenditures to be disclosed within 24 or 48 hours of being made, depending on their amount and proximity to an election.

The complaint takes issue with the overdue disclosure, as well as the literature's failure to include a complete disclaimer, specifically the line that says the materials were "not authorized by any candidate or candidate committee."

Campaign finance experts agree that the complaints about the late disclosure and incomplete disclaimer appear to be clear-cut violations. The independent expenditures were a significant

boost given that the primary got off to a late start due to Gonzalez's decision and because candidates had less time than usual to ramp up fundraising for the March 1 primary.

“People, before they vote, are entitled to know who paid for these” activities, said Brett Kappel, a campaign finance attorney in Washington, D.C. “Failure to file [those reports] are very, very frequent subjects of FEC enforcement actions and result in some of the most significant fines the FEC imposes.”

LUPE Votes also operates a political action committee that can coordinate with Vallejo's campaign. Its nonprofit entity can work to get voter support for Vallejo but cannot coordinate with her campaign.

Yet the complaint alleges illegal coordination given the overlap between the Vallejo campaign and the LUPE Votes entities. For example, the complaint notes that a person who works for the LUPE Votes nonprofit, Danny Diaz, also serves as the treasurer of the Lupe Votes PAC, and the complaint alleges the PAC split the cost of a poll with the campaign in late March.

A Dec. 8 memo obtained by the Tribune and addressed to “all LUPE employees and consultants” outlined which employees were working for the PAC and the nonprofit, and it outlined steps to maintain an “internal firewall” to guard against illegal coordination.

Campaign finance experts say illegal coordination can be difficult to prove and the FEC has shown very little interest in going after it.

“The FEC has a very high bar for what it considers illegal coordination, and I think for better or for worse — and largely for worse — the FEC just hasn't cracked down on coordination in the last 12 years since Citizens United in the way that it ought to have,” said Michael Beckel, research director at Issue One, a nonpartisan group that pushes for campaign finance reform.

Plus, Beckel added, “usually when the FEC takes any action, it's too little, too late.”

On its April 15 filing, the LUPE Votes nonprofit did follow disclosure rules in showing it got a \$100,000 donation in early January from Four Freedoms Fund, a New York City-based philanthropy that funds immigrant advocacy groups. While 501(c)(4) nonprofits are typically associated with “dark money” — political spending without donor disclosure — they do have to disclose donations of that size on a quarterly basis when they are used for the purpose of independent expenditures like paying for canvassing and door hangers.

Ontario NDP vows to reverse election finance changes to boost govt integrity

(Ontario, Canada)

Ontario's New Democrats say they'll scrap changes to election finance rules and reform lobbyist registration as part of a broader effort to boost government integrity if elected in June.

NDP Leader Andrea Horwath says that if her party forms government, it will reverse the Progressive Conservatives' move to double the political contribution limit to \$3,200, and restore a requirement that people affirm they are giving their own personal funds.

The annual contribution limit was raised last spring through legislation that amended parts of Ontario's Election Act and Election Finances Act.

The New Democrats say they will also enact tougher lobbying laws and increase transparency, making it so that every meeting with lobbyists will be publicly reported.

The party is also pledging to amend the government appointment process so that an all-party committee reviews every appointee, and says the chairs of public boards won't be allowed to engage in partisan activity.

The measures are part of the party's election platform, which also includes accelerated pharmacare and hiring tens of thousands of health and education workers.

Horwath has said full costing details on the party's blueprint for Ontario will be presented during the upcoming election campaign.

