



M U L T I S T A T E

### [Transparency advocates push for campaign finance reform](#) (Delaware)

With weeks to go before the first votes are cast in Delaware's 2022 election cycle, advocates for government transparency are pushing for better campaign finance reporting.

[Common Cause Delaware](#), a nonprofit group that lobbies for open, honest and accountable government, has called for more frequent and detailed reporting of campaign funds collected when candidates run for office.

"It's common knowledge that people work for the person who pays them," said Claire Snyder-Hall, executive director of [Common Cause Delaware](#). "That's how it often works in politics as well. Studies show that elected officials are more likely to govern in accordance with what their donors want than with public opinion."

Under current law, campaigns are only required to file three [spending reports](#): at the end of each year, 30 days prior to an election, and eight days prior to an election. If the candidate has a primary election, they'd file five reports.

Snyder-Hall wants to keep those reports, but also require candidates to file four additional quarterly reports.

"When voters are trying to decide who to vote for, one thing they can do is look at campaign finance reports to see who's funding the candidate," she said. "If a candidate receives a lot of money from police unions, for example, or teachers unions, that can say a lot about what they stand for, and voters have a right to know that information."

Because everyday voters don't follow campaign finance reports closely, having additional data and more time to disseminate it before an election will go a long way in improving transparency, Snyder-Hall said.

“It’s only 30 days until the election, and so that doesn’t leave a lot of time for people to be able to learn and digest that information,” she said. “Whereas if it was quarterly reporting, they would know earlier.”

Having quarterly reports would also level the playing field between candidates who have primary elections and those who don’t, she said.

For example, in Delaware’s 6th Senate District, there are two Democratic candidates: Jack Bucchioni and Russ Huxtable.

They are required to file their reports 30 days and 8 days before the Sept. 13 primary election, but Republican candidate Rep. Steve Smyk, who doesn’t have a primary challenger, won’t have to file his reports until 30 days and 8 days before the Nov. 8 general election.

“So voters now know who’s funding Russ Huxtable and Jack Bucchioni, but they don’t have any idea who’s funding Steve Smyk, because he doesn’t have a primary opponent,” Snyder-Hall said. “That gives him an advantage.”

Another way to increase transparency in elections is by requiring campaign contributors to reveal their employer and occupation when they donate to a campaign, said John Flaherty, board member with the Delaware Coalition for Open Government.

That would increase transparency in two ways, Flaherty said. First, it would help identify instances where companies ask employees to donate to a particular candidate and reimburse them for their donation. That’s a way for companies to circumvent campaign finance laws that limit the amount one can donate to a campaign.

That’s not unprecedented in Delaware.

In 2011, Christopher Tigani, the former president of a major Delaware beer distributor, [pleaded guilty](#) to illegally funneling more than \$200,000 in campaign donations by compelling employees, family members and friends to make donations, then reimbursing them.

The other way it would increase transparency, Flaherty said, is by showing donor trends. If a candidate has numerous donations from workers in the fossil fuel industry, for example, one could deduce that those employees feel that candidate is more friendly to fossil fuels.

“The public can then decide for themselves whether, in fact, that donation was meant for the candidate, or whether it was meant to help propel the interests of the company,” Flaherty said.

“I think the more disclosure we have, the better it is when it comes to campaign finances here in Delaware.”

Donors are already required to reveal their employer and occupation when they donate to candidates for federal office and in 38 states across the country.

When a [bipartisan bill](#) was introduced in Delaware’s General Assembly this year that would have required just that, it died in the House Administration Committee after House Speaker Pete Schwartzkopf, D-Rehoboth Beach, raised objections.

“I don’t support this bill and I’ll tell you why,” Schwartzkopf said. “I don’t know what the problem you’re trying to solve is.”

He said pass-through donations like the ones Tigani pleaded guilty to are already illegal and [House Bill 366](#) wouldn’t have stopped them from happening.

The bill’s sponsor, Rep. Eric Morrison, D-Glasgow, disagreed.

“I think it quite possibly could have helped catch that,” Morrison said. “When you’re looking through these reports, you will be able to see that, ‘Hey, this one employer, people from their company are donating over and over again, especially in \$600 checks,’ which we don’t often see.”

Schwartzkopf said he also worries that in such a divisive political climate, employers could seek retribution against employees “because they donated to the wrong candidates.”

“There’s no protection for those people,” Schwartzkopf said. “They could be fired the very next day.”

Flaherty, Snyder-Hall and Morrison all say that’s bupkis.

“That doesn’t really make sense because you can already do that,” Snyder-Hall said. “If you were a business owner and you wanted to see who your employees were donating to, you know who they are, so you could just put their names in and search to see if they donated.”

Snyder-Hall said it’s no surprise the bill didn’t make it across the finish line.

“I believe it’s the wealthy interests that want to maintain their advantage and candidates who are receiving big money from certain industries that they don’t want publicized,” she said.

Rep. Danny Short, R-Seafood, agreed with Schwartzkopf.

“There’s a whole host of issues you have to follow up on with regard to the checks so you can make sure you comply with the current situation,” Short said. “I don’t know that it helps the cause of those that are trying to run any election, irrespective of who they are, irrespective of the party, to publish that information.”

Rep. Tim Dukes, R-Laurel, said he thinks it would be intrusive to have donors include their employer information.

“On the other hand, the person who challenges [that donation] could remain anonymous,” Dukes said. “I don’t think you should have it both ways, in my opinion.”

The bill was tabled in committee and never brought back for a vote. Because the legislative session ended June 30, the bill will need to be reintroduced in 2023.

“We’ll have to bring it up again next year,” Flaherty said.

### **[Democratic PAC accuses Senate candidate Laxalt of violating campaign finance law](#)** (Nevada)

A political action committee backing Democratic candidates filed a complaint Friday alleging that Nevada Republican Senate candidate Adam Laxalt violated campaign finance laws by using an annual GOP cookout to promote his campaign while he was president of the PAC that organized it.

The Basque Fry is run by the Morning in Nevada PAC, which Laxalt was the president of until August 2021, when his candidacy for U.S. Senate was announced. By allegedly controlling a state PAC as a federal candidate, he violated Federal Election Commission guidelines, said End Citizens United in its complaint.

Laxalt’s campaign says he had “nothing to do with the PAC” after he announced his candidacy a day after last year’s event.

The cookout, which includes live music, an inflatable rodeo ride and Basque cuisine, is modeled after Adam Laxalt's grandfather and former Nevada Gov. Paul Laxalt's cookouts. The elder Laxalt was the son of Basque immigrants.

It has become a yearly tradition attended by Nevada GOP brass and national headliners, including Sen. Ted Cruz of Texas, Florida Gov. Ron DeSantis and Trump administration counsellor Kellyanne Conway.

In Nevada, state political action committees are allowed to take unlimited contributions, unlike PACs that fall under federal election rules, which have a maximum contribution of \$5,000 per donor each year.

The Democratic group said in its report filed with the Federal Election Commission that Laxalt violated federal campaign finance laws by raising and spending well over the \$5,000 limit for in-kind contributions from the Morning in Nevada PAC after he became a federal candidate for office. It argues since Laxalt's campaign was touted at both events, it should be recorded as a contribution.

U.S. Sen. Tom Cotton announced Laxalt was running at the 2021 Basque Fry on Aug 14, which "triggered federal candidacy," the complaint alleges. Laxalt filed paperwork announcing his candidacy the following day, on Aug 15. According to the complaint, his name appeared on Morning in Nevada's state registration until Aug 31.

"Adam, I guess he's not supposed to say that he's going to be your next United States senator. There's some campaign finance rules against it," Cotton said at the 2021 Basque Fry. "But what do I care about some stupid rules like that? Adam Laxalt is going to the United States Senate for the Battle Born state in 2022."

End Citizens United argues Laxalt violated the Federal Election Campaign Act of 1971 by controlling a "soft money organization" — typically a PAC that falls outside federal spending limits — as a federal candidate. And he received "excessive, unreported, and potentially prohibited in-kind contributions" from the Basque Fry. In-kind contributions are non-monetary goods and services.

It also alleges that Laxalt's speaking slot at this year's Basque Fry, which was used to promote his campaign, should count as an in-kind contribution. Laxalt has not reported any contributions from the Morning in Nevada PAC during his campaign.

"He was an invited speaker to this year's Basque Fry, along with a number of other federal and state elected officials and candidates," Laxalt spokesperson Courtney Holland said in an email.

“His attendance at the event was certainly permissible, despite the frivolous claims of a leftist, dark money group” that backs his opponent, incumbent Democratic U.S. Sen. Catherine Cortez Masto, Holland said.

One of Laxalt’s longstanding advisers, Robert Uithoven, is the new president of Morning in Nevada. Laxalt for Senate has reported paying Uithoven and his political consulting firm nearly \$330,000 to date. In an email, Uithoven called the complaint “meritless.”

### **Lobbyists navigate a more civil yet nuanced landscape in Albany** (New York)

For a decade, and until only about a year ago, lobbyists, advocates, consultants and other Albany influence peddlers all feared one thing: the wrath of then-Gov. Andrew Cuomo and his inner circle of enforcers, such as Melissa DeRosa, Larry Schwartz and Alphonso David. Dealing with Cuomo’s inner circle was never pleasant, according to lobbyists, but cross them and they’d lash out.

In the past year with Gov. Kathy Hochul, they said that’s changed.

“It’s obviously an enormously different demeanor and culture with the new administration,” said Mike Elmendorf, president and CEO of the Associated General Contractors of New York State. “I haven’t been screamed at yet, and I don’t know anyone who has been, so that’s a marked improvement.” Now, he added, “You can have conversations with people (in the governor’s office) without them becoming irate if you offer a different perspective as you defend the interest of your client or industry. And that’s certainly a welcome change.”

City & State reached out to more than a dozen lobbyists and advocates representing diverse, and often opposing, interests to ask about how their jobs have changed in the past year or so. Some of them declined to speak, and some only did so on background, but among those who spoke publicly, a clear picture emerged: Dealing with the Second Floor, which houses the executive offices, is now a lot less nerve-racking.

“The Hochul administration is by and large more civil and polite than Cuomo’s,” said longtime lobbyist Jim Featherstonhaugh of the law firm Featherstonhaugh, Wiley & Cline. “But that’s partly because it’s a new administration, which tends to be less cynical and more open to not only talking but listening to people.”

Saima Anjam, senior vice president at The Parkside Group said, “There’s a new collaborative approach in dealing with stakeholders and it’s been a refreshing change.” Before, she said, “There was this balance of, how pushy can we be before we blow up all of our work?”

Some of this change seemed to be attributed to the respective personalities of Cuomo and Hochul. “Andrew was a tornado, an absolute force of nature,” said David Weinraub, who heads Brown & Weinraub, the state’s highest-grossing lobbying firm. “He was very involved in every single aspect of things, especially media coverage. He spent an inordinate amount of time with journalists and was super aggressive. And on many occasions, you could be talking to his staff but know that their questions and subtleties were coming from him.”

Hochul, on the other hand, Weinraub said, “In my view (she) is not as focused on her image and how it plays in swing states. Andrew was national this, national that. Kathy, for now, just wants to succeed, and she’s more concerned about what the Albany Times Union and The New York Times are going to think than the Los Angeles Times.”

Of course, Hochul has basically been in campaign mode since she stepped into Cuomo’s shoes in August 2021. “We’re in an election cycle,” Elmendorf said. “We may not see what this administration is really going to be like until after the political dust settles.” ([Polls generally show Hochul comfortably leading](#) her Republican rival, Rep. Lee Zeldin.) “At this point, the administration has been careful not to really upset anybody.”

Despite that, some lobbyists – perhaps especially liberal and progressive ones – sense more good faith from Hochul than they ever did from her predecessor. “Cuomo fought for big corporations and the super-rich, and so does Hochul,” said Michael Kink, who leads the anti-inequality group Strong Economy for All coalition. “Look at her campaign finance filings, and you’ll see that she quickly consolidated the massive support of the business class and the lobbyists who work for them.”

He added, “But Cuomo had to be dragged kicking and screaming into doing anything (to ameliorate inequality), and never until an issue had an 85% to 90% approval rating. Hochul seems a little bit more humane – and her people aren’t complete and total jerks.”

Peter Iwanowicz, executive director of Environmental Advocates NY, said, “When it comes to the environment, Gov. Hochul seems to me (to be) someone who actually wants to do the right thing. The past administration did some things right on the environment, but it always felt like Cuomo had to do it for political purposes. Hochul has allowed her administration to call their balls and strikes fairly on a number of projects, looking at the science, like on power plants proposed in the Hudson Valley.”

Which leads to another point: Many lobbyists said substantive communication was possible again with heads of key state agencies like housing and health – a marked contrast from the start of the COVID-19 pandemic, when Cuomo seemed to consolidate pandemic

decision-making and messaging within his own office, with himself as the star of a daily TV briefing.

“I see that the governor and her team have more trust in whom they’re working with at the agencies,” Anjam said. Elmendorf largely agreed: “The folks in the agencies have been given more latitude to do their jobs without the obsessive level of micromanagement, which was the hallmark of the prior administration.”

That latitude, Iwanowicz said, “indicates someone who has faith and trust in their agency heads, which didn’t exist with Cuomo.”

Of course, all this new ease of communications with Albany’s executive branch exists in tandem with lobbyists navigating a slightly more long-standing yet still newish relationship with the Legislature, which has seen an incredible influx of first-term lawmakers in recent years.

“It’s a different animal altogether, the amount of new faces and turnover over the last several election cycles,” Elmendorf said. “Before COVID, you’d walk around and know every name on every door, and now I say, ‘Who’s that?,’ which brings both challenges and opportunities. Once, you could divine better (where people would fall on something), but now there’s a lot of new, younger players in both (the state Senate and Assembly Democratic) majorities.”

It’s ironic, he added, that Zoom lobbying – something that began as a stopgap during COVID-19, and initially felt less than ideal – evolved into an efficient new tool for connecting with all those new faces. “In a lot of ways, we have a more focused conversation when we’re all working from home than we would in their office, where they get pulled out of the meeting by something else.”

Many lobbyists said that whereas once they tried to get their first win in the Assembly and then tried to crack the nut of the state Senate, it was often the reverse today – work with state Senate Majority Leader Andrea Stewart-Cousins to pass legislation there, then hunker down for the harder ask to Assembly Speaker Carl Heastie.

Despite those shifts, nearly everyone said the absence of Cuomo’s overbearing presence had facilitated a lot of new possibilities.

“Cuomo took up a lot of space and energy,” Weinraub said. “If Cuomo liked your idea, it was great for you, and if he was against it, you were dead. So now, there’s more of an opportunity to work an issue.”

**[Nevada GOP Secretary of State candidate accused of breaking campaign finance law](#)** (Nevada)

The Republican candidate for Nevada Secretary of State is facing a formal complaint accusing him of violating campaign finance laws.

The left-leaning political action committee End Citizens United [filed a complaint against Jim Marchant](#), alleging he used his own PAC, Conservatives for Election Integrity, to exceed the legal limit for campaign contributions.

Nevada records list Marchant as the president and registered agent for Conservatives for Election Integrity.

The complaint states that Conservatives for Election Integrity contributed \$10,000 to Marchant's campaign, the legal maximum. The PAC has also run television commercials, purporting to be independent, endorsing Marchant's candidacy.

"But, of course, a group controlled by the candidate is not acting independently of the candidate," the complaint states. "These ads were instead 'coordinated expenditures' — and therefore in-kind contributions — that greatly exceeded the legal limits."

Marchant has not commented on the allegations.

[End Citizens United also filed a campaign violation](#) complaint against Adam Laxalt, who is running for U.S. Senate, alleging his control of a state PAC while running for federal office violates U.S. election law.