



M U L T I S T A T E

**[Corporations lobbying in California gave to Newsom's wife's nonprofit organization: Report](#)** (California)

A number of companies with lobbying interests in California contributed hundreds of thousands of dollars to an advocacy organization founded and run by the wife of Democratic Gov. [Gavin Newsom](#).

The corporate donations were reportedly paid in support of The Representation Project, Jennifer Siebel Newsom's nonprofit organization, which supports the creation of her films about gender equality and paid her \$2.3 million in salary between 2011 and 2018, according to a new report.

AT&T, Comcast, Pacific Gas and Electric Company, or PG&E, and Kaiser Permanente are on The Representation Project's donor list, each of them being corporate heavyweights in their respective industries that have lobbied Newsom and other state agencies, the Sacramento Bee [reported](#), based on a review of tax records and interviews with the companies.

The Representation Project, which Siebel Newsom [founded](#) in 2011 as an organization "dedicated to ensuring all humans achieve their full potential, unencumbered by limiting gender norms," received more than \$185,000 from AT&T between 2017 and 2020, while Comcast gave \$15,000 to the organization during the same stretch, the report found.

Both companies, which also gave Newsom's gubernatorial campaign and inauguration fund hundreds of thousands of dollars in donations, have [lobbied](#) against [California's](#) "net neutrality" law and public policy efforts to expand broadband.

While [Newsom](#) has criticized PG&E for its role in the state's recent wildfires and has since declined to take donations from it, the company donated \$290,000 to The Representation Project between 2016 and 2018 and gave over \$100,000 to Newsom's campaign.

Healthcare giant Kaiser Permanente, which has lobbied against the creation of a single-payer system, gave \$20,000 to fund The Representation Project's events between 2018 and 2019.

After Newsom announced his gubernatorial campaign in 2015, the organization's donations were boosted by 30% to nearly \$16 million for that year, the Sacramento Bee's report found.

"This is just a subtler variation of a lobbyist hiring an elected official's spouse," Mark Davies, a law professor at Fordham University and a former director of the New York City Conflicts of Interest Board, told the outlet.

In all, The Representation Project was given more than \$800,000 from a dozen companies that frequently [lobby](#) the state on behalf of their interests.

The governor is "proud of the First Partner's longstanding leadership on gender equity," a spokesperson for Newsom said in response to the report.

"His decisions, always grounded in sound policy and good governance, are made in the best interest of the State of California."

Newsom, who is facing the ire of enough California voters to be subjected to a recall, has also received corporate support in the midst of the effort to boot him from office. Paramount Pictures has [donated](#) \$40,000 to Stop the Republican Recall of Governor Newsom, a campaign against the recall effort.

The Washington Examiner could not immediately reach The Representation Project or Newsom's office for comment.

### [\*\*Nikki Fried could face scrutiny from Joint Legislative Audit Committee over hidden lobbying income\*\*](#) (Florida)

Just days after jumping into the 2022 governor's race and filing amended financial documents that reveal hundreds of thousands of dollars in previously undisclosed lobbying income, Agriculture Commissioner Nikki Fried could face heightened scrutiny and penalties from the Florida legislature.

A scathing letter sent to Senate Rules Committee Chair Kathleen Passidomo and House Public Integrity & Elections Committee Chair Erin Grall included an in-depth analysis of Fried's financial reporting over the last several years by State Senator Joe Gruters, who also chairs the Republican Party of Florida.

The [letter](#) asks Passidomo and Grall to investigate the matter, which could trigger a Joint Legislative Audit Committee investigation.

Fried is required to report her financial assets and income not only as a lobbyist, but also as a political candidate and as an elected official. But the letter from Gruters focuses primarily on Fried's failure to accurately report her lobbying income even before she was a political candidate.

To prevent competing lobbyists from knowing how much a client is paying, lobbyists like Fried are only required to report income in broad ranges rather than exact amounts. But Gruter's letter alleges that in addition to lowballing her income on her official campaign disclosures, Fried also lowballed her 2018 income when she was a lobbyist. According to the letter from Gruters:

*“Even on the high end of this range, Fried only reports \$119,994 in annual lobbying compensation (\$219,988 in annual lobbying compensation if the high end of Legislative and Executive Branch lobbying compensation reported is combined)—far short of the \$351,480 of income Fried now reports on her Financial Disclosure Form that she received from her lobbying firm in 2018.”*

If the legislature finds that Fried violated the law, she could face a fine of up to \$5,000, and could be banned from lobbying for up to two years, among other potential penalties.

But the lobbying violations are only one area of potential trouble for Fried as she seeks the Democratic nomination in the governor's race, which could hinge on her credibility. Her campaign insists, falsely, that she corrected the errors as soon as she learned of them.

“When we were made aware of the filing error,” said Fried campaign spokesman Max Flugrath, “we amended the forms to provide full transparency.”

Even Fried herself is pushing that false narrative. On the radio show Florida Matters, she said, “It was an error we saw when we were working through my forms this year.”

But Fried and her team have known about the errors since at least January 2020, more than 17 months ago. The discrepancies on her 2017 and 2018 disclosures were [first reported by The Capitolist](#) in January 2020, a story that prompted Fried to file an amended disclosure nine days later. However, even the amended disclosure failed to address most of the omissions, and The Capitolist published a second story detailing the lingering problems with her accounting,

[including the previously undisclosed source of \\$166,504 in cash added to her checking account between 2017 and 2018.](#)

Fried's team was contacted about the errors at that time but declined to comment for those stories.

### **[House OKs ethics reform with financial disclosure, lobby limits](#) (Michigan)**

Amid debate over whether the legislation went far enough, Michigan House members on Wednesday passed 13 bills and one joint resolution that proponents hope will boost transparency and ethics among lawmakers.

The bills seek to create an ethics committee in each chamber, to require confidential financial disclosures from members and to prevent legislators and senior administration officials from lobbying for two years after leaving office.

The bills move to the Senate next, where Senate Majority Leader Mike Shirkey, R-Clarklake, has expressed concerns that financial disclosure requirements could discourage people from running for office.

The lobbying proposals passed by large margins in the House, but the financial disclosure and ethics committee bills were the subject of some debate on the House floor because of provisions that would keep both aspects confidential until or unless there is a formal finding of wrongdoing.

Still, some Democrats joined Republicans in support of the ethics committee and financial disclosure bills.

"We send disclosure forms to a secret committee that is exempt from the Open Meetings Act and that is staffed or filled with politicians," said Rep. David LaGrand, D-Grand Rapids, in opposition to the legislation. "That has the potential to trigger blackmail dynamics. It certainly looks like a swamp. It doesn't look like draining a swamp."

But Rep. Andrew Fink, R-Hillsdale, defended the proposals, noting the bills have been criticized on claims that they don't go far enough as well as claims that the legislation goes so far as to discourage lawmakers from running for office out of privacy concerns.

"This plan does not treat becoming a public figure as an invitation to have one's life pored over," Fink said.

"No plan, including this one, is perfect but the critics from every angle ought to recognize that their solutions are imperfect too and consider whether, compared to the alternatives, we are advancing the cause of transparency and integrity in government today," he said.

House Speaker Jason Wentworth, R-Farwell, celebrated the legislative package and thanked Fink and House Elections and Ethics Committee Chairwoman Ann Bollin, R-Brighton Township, for their work.

"The simple truth is people are losing faith in their government, and the problem gets a little worse every day," Wentworth said. "We need to listen to what the people are telling us and start fixing the broken culture in the halls of government. This package of bills addresses some of the biggest concerns people have shared with me and gives all of us more peace of mind that our public servants are truly working for us."

The legislation passed Wednesday would create separate committees in the House and Senate with equal representation from both parties to investigate and provide advisory opinions on potential conflicts, ethical violations or complaints from members.

Committee meetings and records largely would be confidential and exempt from the Open Meetings Act or the Freedom of Information Act. But the committee would have to provide its determination, evidence and recommendations within 10 days if it determined a member willfully violated a chamber rule.

Lawmakers would be required to file an annual confidential conflict of interest report each year and abstain from votes from which they would have a personal or professional interest.

The conflict of interest report filed each year would contain names of family members, their employers' names, sources of income of more than \$5,000, the addresses of properties held by the lawmaker or family members, a description of investments if the fair market value is more than \$10,000, whether a family member is also a registered lobbyist or any interests in a legal entity of more than \$10,000.

The requirements for disclosure would extend to state officers such as the governor, lieutenant governor, secretary of state, attorney general, state treasurer, and members of various commissions, including the State Board of Education. State officials would be required to report the disclosures to the state Board of Ethics rather than the Secretary of the Senate or Clerk of the House responsible for receiving lawmaker disclosures.

The bills would prohibit a lawmaker, state official or state department leader from performing work that would require them to register as a lobbyist for two years after leaving their positions

and would ban lawmakers from receiving compensation for communicating in an attempt to influence individuals in the executive or legislative branches.

The legislation also would prohibit lobbyists from being appointed to a civil position by the governor or Legislature unless officials could prove there was no conflict of interest in the appointment.

Another bill would increase the fine for giving a gift of more than \$3,000, which is currently a misdemeanor under the state's lobbyist registration law, from \$5,000 to \$7,500.

A joint resolution passed 81-28 Wednesday would allow the House and Senate to suspend the expense allowances and salary of a member who acted unethically or is excessively absent as well as require a record roll call vote to give a bill immediate effect.

A record roll call vote for immediate effect currently is not required by the Legislature, a provision that prompted unsuccessful litigation in 2012.

Because it would require a constitutional amendment, the joint resolution needs two-thirds support from the Senate, then approval by voters at the next general election to take effect.

### **[In closed-door session, state ethics commission will hear complaint of lawmaker's conflict](#)** (Maine)

In an unusual closed-door session, the Maine Commission on Governmental Ethics and Campaign Finances will hear a conflict of interest complaint against a member of the Legislature on Friday.

Details of the complaint, including who submitted it, the identity of the accused lawmaker and the alleged conflict of interest are considered confidential under the state's Freedom of Access Act. The details will become public only if the five-member commission determines that the complaint has merit and votes to conduct an investigation.

Jonathan Wayne, executive director of the commission, which includes two Democrats, two Republicans and one independent, said conflict of interest complaints are uncommon and the last time the commission considered one was in 2014.

That complaint [involved an allegation against then-House Speaker Mark Eves, D-Berwick](#), over his support for a Medicaid expansion bill. Some Republican lawmakers claimed Eves had a conflict because he worked for a nonprofit organization that received Medicaid funds.

Although the commission never voted to investigate the charge, Eves made a public request for an advisory opinion from the panel after the Republican lawmakers held a news conference and raised conflict of interest issues.

Another former lawmaker, Rep. [Stephen Stanley, D-Medway, was also the subject of speculation in 2014 over his legislative work to save a paper mill](#) in East Millinocket, where he was employed.

Wayne said at the time that no complaints had been received concerning Stanley's sponsorship of the legislation, and Stanley had not approached the commission for guidance. Wayne said this week he could not comment on the 2014 cases, citing the law that requires the charges remain sealed if the commission votes against pursuit of an investigation.

State law defines a conflict of interest as occurring when a legislator or a member of the legislator's family "has or acquires a direct substantial personal financial interest, distinct from that of the general public, in an enterprise that would be financially benefited by proposed legislation."

Potential or perceived conflicts of interest are routinely, and sometimes necessarily, overlooked because Maine has a part-time, citizen legislature, which means lawmakers are also business owners and lawyers and doctors and teachers and employees of the state's largest companies.

Lawmakers are also often assigned to committees of jurisdiction by leadership based primarily on their professional backgrounds. Teachers or former teachers, for example, frequently serve on the Education and Cultural Affairs Committee; lawyers serve on the Judiciary Committee, and retired police officers are commonly appointed to serve on the Criminal Justice and Public Safety Committee.

The primary role of the ethics commission is to serve as the enforcement agency for the state's campaign finance and disclosure laws. Its duties relate largely to how state political campaigns are financed and disclosure by lobbyists working the Legislature. But the commission also provides advice to state lawmakers on issues of conflict of interest or interacting with administrative agencies, Wayne noted.

"We also receive statements of the sources of income from Legislators, constitutional officers and executive branch officers," he wrote in an email.

All of that information is largely public and either available on the commission's website or by request.

Under state law, the commission can only oversee sitting lawmakers and may only investigate charges of conflicts of interest, undue influence on an administrative state agency or abuse of office and position when contracting with a state agency.

Wayne said the commission will convene Friday in open session in a 9 a.m. online video meeting but will then take a vote to enter into executive session, and the panel's deliberations on the charge will be shielded from the public. "We will be by the book," Wayne said in a phone interview.

Under the law, the details of the complaint will only be made public if the commission votes to pursue an investigation into its legitimacy. The details of a complaint that the commission votes against investigating can only be made public if the lawmaker the complaint is against decides to disclose it.

### **[Companies accused of illegal gambling donate \\$350K to PACs tied to Missouri lobbyist](#)** (Missouri)

A pair of companies suing the state to block a crackdown on unregulated slot machines combined this week to drop \$350,000 into six political action committees tied to a controversial lobbyist.

According to disclosures filed with the Missouri Ethics Commission this week, Torch Electronics and Warrenton Oil made a series of donations to MO Majority PAC, Missouri Growth PAC, Missouri C PAC, Missouri Senior PAC, Missouri AG PAC and Conservative Leaders of Missouri.

Each PAC has ties to Steve Tilley, a lobbyist and former state lawmaker who is a fundraiser and close adviser to Gov. Mike Parson.

Torch cut eight checks, each for \$33,333. All were reported this week.

Warrenton Oil cut seven checks, each for \$13,000.

Tilley's lobbying firm represents Torch, which owns games that operate like slot machines in locations around the state.

The Missouri Gaming Commission has deemed them gambling devices, which are prohibited outside of licensed casinos, and the state highway patrol considers them illegal. Several local prosecutors are [also pursuing criminal charges against the companies](#) that own and house the machines.

A Kansas-based company that was operating these machines in Platte County was found guilty by a circuit court judge late last year of promoting illegal gambling in the first degree.

But Torch has argued, both in its lawsuit and in legislative hearings, that their machines are not gambling devices. Since they reveal the outcome of the wager before a player moves forward, they are a game of chance, the company contends, and therefore not illegal.

The company joined with Warrenton Oil, which hosts Torch devices in its FastLane convenience stores, to sue the Missouri State Highway Patrol and other state agencies, claiming to be victims of a [“campaign of harassment and intimidation.”](#)

Legislative efforts to rein in these so-called “gray-market machines” have fallen short, with most now expecting [their future to be decided in the courts](#).

This week’s campaign contributions continue a pattern for Torch in recent years.

The company cuts checks to a constellation of political action committees connected to Tilley, which then makes donations to elected officials.

Since 2018, Torch has donated roughly \$430,000 to six of Tilley’s PACs.

These PACs have been embroiled in controversy before for similar activity — including drawing scrutiny from the FBI.

In 2017, one of Tilley’s clients, Gardner Capital, donated to four of his PACs. Those PACs then made donations that combined to total \$10,000 to Independence Mayor Eileen Weir.

Just days after the donations, Weir and the city council voted to spend nearly \$1 million to buy a golf course for a solar farm in a joint venture with Gardner Capital. The money used to purchase the golf club came from another Tilley lobbying client, the city’s utility, Independence Power & Light.

Numerous officials in Independence would subsequently report being [questioned about the donations and the contract](#), though everyone involved [denied any wrongdoing](#).

A spokesman for Torch declined comment, other than to clarify the size of the donations. Tilley did not respond to a request for comment.

### [Activists target top Republican in Pa. Senate as they push for gift ban](#) (Pennsylvania)

Using song and chant, a group of activists marched through the Capitol's hallways Wednesday, even momentarily disrupting the Senate's voting session, demanding that lawmakers pass legislation to ban public officials from accepting gifts from special interests and others trying to influence public policy.

The activists, from the grassroots group MarchOnHarrisburg, rallied on the steps outside the Capitol before making their way inside. Most marched to the office of Senate President Pro Tempore Jake Corman (R., Centre), where they encountered a locked door, while others gathered in the Senate gallery, where they brought the day's voting session to a brief halt with their chants of "Stop Taking Bribes."

"This is not a fringe issue, this is not a lefty, radical issue. This is talking about getting money out of politics," activist Randall Hayes, who leads the group's Harrisburg chapter, said as he live-streamed the protest on Facebook.

Activists said they have [pushed for nearly two decades for a gift ban](#). But year after year, they said, they've seen gift ban bills stall for lack of support.

Pennsylvania is one of eight states that does not have a complete or partial ban on legislators and other public officials and employees receiving gifts from lobbyists and other advocates with a stake in government.

Lawmakers and other public officials in the state can accept any gift they want, as long as they disclose it in annual statements of financial interest that must be filed every year with the State Ethics Commission.

Even then, they only need to disclose gifts worth \$250 or more, and transportation and hospitality worth \$650 or more.

In 2015, Gov. Tom Wolf [signed an order](#) that banned members of the executive branch from accepting gifts from lobbyists and other organizations. Though he and others have urged the

legislature to do the same, they have not taken action, despite numerous gift ban bills that have been introduced over the years.

Activists on Wednesday said they targeted Corman because, unlike some leaders, he has not publicly backed a gift ban.

A spokesperson for Corman said the senator had no comment.

As it stands, Sen. Lisa Baker (R., Luzerne) has introduced a bill in this two-year legislative session that would prohibit public officials and employees from taking gifts from lobbyists and anyone with or seeking a government contract, or trying to influence official action.

There would be exceptions for nominal gifts or gifts from family and friends.

“Merely requiring the disclosure of gifts received above a certain value is no longer regarded by the public as an effective guard against corruption,” Baker said in a legislative memo seeking support from her colleagues earlier this year.

Senate Majority Leader Kim Ward (R., Westmoreland) has signed on as a co-sponsor to the legislation. But as of now, the measure is in the State Government Committee and has not been moved since it was introduced in March.

Although Wednesday’s protest was peaceful, four activists were arrested and charged with trespassing after resisting orders to move from in front of the door to Corman’s office.