

**ETHICS REPORTER  
October, 2021**Kentucky Legislative Ethics Commission  
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Phone: (502) 573-2863  
<https://klec.ky.gov>

***Two-year registration for lobbyists and employers opens on December 1, 2021***

Employers’ and legislative agents’ registration with the Legislative Ethics Commission will expire on December 31, 2021.  Check the Ethics Commission’s website <http://klec.ky.gov/> for the Initial Registration Statement for the two-year period beginning January 1, 2022 and ending on December 31, 2023.   For your convenience, we will also send out an email mid-November with instructions and forms attached.

**Beginning December 1, 2021**, the Commission will start accepting completed registrations.  Initial registration forms CANNOT be filed online.

A registration fee of $250 must be paid by the employer of one or more legislative agents.  This fee may be paid by cash, check, Visa, MasterCard, American Express, or Discover.  If the registration is mailed with a check, the check should be payable to **Kentucky State Treasurer**.

If paid by credit card, the registration may be faxed, or scanned and e-mailed, along with the completed credit card form.  The Initial Registration Statement may be copied.

**Please remember the employer must sign the registration form of each legislative agent.**  If more information is needed, please contact the Commission at (502) 573-2863, or e-mail [Donnita.Crittenden@lrc.ky.gov](mailto:Donnita.Crittenden@lrc.ky.gov)

***Lobbying report deadlines and important reminder about reporting bill numbers***

**Tuesday, January 18, 2022** is the next reporting deadline for lobbying entities, and all lobbyists and employers are required to file Updated Registration Statements then, for the period of **September 1** through **December 31, 2021.**

The easiest and quickest way for lobbyists and employers to file is to visit the Commission’s website <https://apps.klec.ky.gov/lec/onlinefiling.aspx> and file online.

Additionally, reporting entities are reminded that they are required to report the specific bill numbers that they are lobbying on, as required by the Legislative Ethics Code, if those numbers are available. If your reports have not adequately reflected bill numbers in the past, please make every effort to reflect bill numbers in updated registration statements going forward.

***Legislative Ethics Commission adds a new member; two members’ service is greatly appreciated as they leave the Commission***

#### A new member has joined the Legislative Ethics Commission, as two valued members end their time on the Commission. The Commission is comprised of community members, not sitting legislators, and is an independent agency of the legislative branch.

#### Former Representative Arnold Simpson was appointed to the Commission by the Legislative Research Commission in September. He was born in Somerset, Kentucky, and was raised in Covington. He received his BA in Political Science in 1974 from Kentucky State University, and his Juris Doctor in 1977 from the University of Kentucky, College of Law. He practiced law from 1978 until his retirement in 2018. He served in the Kentucky House of Representatives from 1994 to 2018. He also served as the Covington City Manager from 1986 to 1989, and the Assistant City Manager from 1984 to 1986.  He has served on numerous community boards and organizations. He and his wife Jo Ann reside in Covington.

#### Former Judge Paula Sherlock ended her service on the Commission in September, and Tony Goetz left the Commission in August. The Commission deeply appreciates both for their dedication and public service, and their efforts at educating on and enforcing the Code of Legislative Ethics.

#### In addition to Simpson, other current members of the Legislative Ethics Commission are: Chair Dave Nicholas; Vice-Chair Michael Noftsger; former Representative Sheldon Baugh of Russellville; former Senator Ernie Harris of Prospect; former Representative and Judge Tanya Pullin of South Shore; Katherine Gail Russell of Louisville; and former Judge Anthony Wilhoit of Versailles.

***New and terminated employers***

Five businesses/organizations recently registered to lobby the Kentucky General Assembly. They are: **Francis Energy**; **Heuser Hearing Institute**; **Nascend LLC**; **Pew Charitable Trusts**; and **Stelco, Inc.**

Two employers, **Glaxo SmithKline** and **Kentucky Alternative Livestock Association**, recently terminated their lobbying registrations and are no longer lobbying in Kentucky.

***Commission Office Procedures and COVID-19***

#### Following guidance from federal, state, and local officials regarding the COVID-19 pandemic, the Commission halted in-person services at its Frankfort office as of Tuesday, March 17, 2020.

#### As of **July 1, 2021**, the Commission office re-opened its office to the public. We request that you wear a mask when visiting our office, due to the increased prevalence and transmissibility of the COVID Delta strain at this time. Also, we would be happy to speak to you over the phone or via Zoom.

We encourage you to continue to contact us via the means listed below, and by filing electronically or by scanning paperwork and emailing it to us. If you need to send the Commission copies of paperwork, it is most efficient to scan and email it to the email addresses as listed on the staff page, or fax to the number below.

Legislators, staff, lobbyists, employers, and the public may continue to contact the office by phone at (502) 573-2863, by fax at (502) 573-2929, and via the email addresses listed on the staff page: https://klec.ky.gov/About-KLEC/Pages/Commission-Staff.aspx . You may still reach Laura Hendrix, Executive Director, at (502) 573-2910, Emily Dennis, Counsel, at (502) 573-2911, and Lori Smither, Staff Assistant, at (502) 564-9084. You may still reach Donnita Crittenden, Executive Assistant, at the main Commission number (502) 573-2863.

#### Continued thanks to the many lobbying entities who have honored our request to begin filing online, and those who have utilized this service for many years. If a lobbyist or employer is currently filing disclosures by paper and would like to file online, please email us and we can contact you with an ID and password.

#### If an entity needs to register as a lobbyist or employer, please email the required scanned paperwork to Donnita Crittenden or Lori Smither at the staff emails in the link above or fax them to (502) 573-2929. Blank forms may be found here <https://klec.ky.gov/Forms/Pages/Get-Blank-Forms.aspx>

#### All provisions of the Code of Legislative Ethics are in force during this time. If there is a need for an opinion about the application of the Code to any particular ethical issue that may arise, please continue to contact us and we will answer your questions.

***Training for Lobbyists and Employers on video***

The Legislative Ethics Commission has a training video from one of our in-person lobbyist and employer trainings on the LRC Capitol Connection YouTube page, for viewing at any time. The link is on our website, and also on the LRC Capitol Connection page at <https://www.youtube.com/watch?v=ojKIWUNV8po&feature=youtu.be>.The video walks through the online filing process in step-by-step detail. Please call us with any questions!

***Financial disclosures for candidates and legislators on KLEC site***

The Commission has the statutorily required financial disclosures for legislative candidates and legislators available on the Commission’s website at <https://klec.ky.gov/Reports/Pages/Legislators-and-Candidates.aspx>. The Commission appreciates the legislators’ and candidates’ diligence in promptly filing these disclosures.

***Ethics and lobbying news from around the U.S.A.***

***CT Rep. Michael DiMassa resigns from legislature following charges he stole federal relief funds***

**CONNECTICUT** – ***Connecticut Mirror*** -- October 25, 2021 – by Andrew Brown

State Rep. Michael DiMassa resigned his seat in the Connecticut General Assembly on Monday following charges that he allegedly stole hundreds of thousands of dollars in federal funding that was meant to help the city of West Haven recover from the coronavirus pandemic.

His resignation comes less than a week after DiMassa, who worked as an administrative assistant to the West Haven City Council, was indicted by federal prosecutors for allegedly steering more than $636,000 in federal relief money to a shell company he and another city employee created in January 2021.

DiMassa, 30, was first elected to the Connecticut legislature in 2016 by residents in West Haven and part of New Haven, and he successfully defended that seat in 2018 and 2020.

But it was his role with the West Haven city government that landed him in federal court last week. He announced last week that he would resign from his job with the city.

FBI agents arrested DiMassa on Oct. 20 after they obtained financial records from West Haven’s finance department that showed DiMassa funneled federal money to his limited liability company, which operated under the name Compass Investment Group.

The FBI and U.S. Attorneys office alleged that DiMassa’s company provided no services to West Haven in return for dozens of payments it received between February and September of this year. Instead, the federal prosecutors allege DiMassa used part of that cash to purchase gambling chips at the Mohegan Sun casino.

Gov. Ned Lamont issued a statement Monday supporting DiMassa’s decision to resign.

“If the allegations are true, he has not only broken the law but also betrayed the public trust,” Lamont said. “He had no choice but to resign. The citizens of West Haven and all of Connecticut deserve honest government.”

Meanwhile, leaders in the statehouse continue to call for a comprehensive review of all of the federal assistance that was handed out to Connecticut’s cities and towns through the 2020 CARES Act.

The state Office of Policy and Management, which disbursed the federal funding to Connecticut’s towns and cities, has already hired an outside auditing firm to review the entire $1.2 million West Haven received last year. The agency is also collecting financial information from Connecticut’s other 168 towns and cities to review the expenses they covered with the federal funding.

There are still many questions about how DiMassa was able to direct more than $636,000 to a company he founded earlier this year. Invoices and other financial records obtained by the CT Mirror through a request under the state Freedom of Information Act suggest that DiMassa was able to personally sign off on the invoices his company submitted to the city.

Those documents also suggest that another person within the West Haven city government signed off on the expense reports on a line meant for the West Haven Finance Director. The signatures on those documents are not clearly legible.

Frank Cieplinski, who has served as West Haven’s Finance Director since 2019, has not responded to emails sent to him on Friday and Monday. And West Haven Mayor Nancy Rossi has refused to elaborate on the allegedly misappropriated money that went to Compass.

The West Haven city council is scheduled to meet Monday evening, but the ongoing criminal investigation is not on the council’s agenda.

***Tennessee senator indicted on campaign cash scheme charges***

**TENNESSEE** – ***Associated Press***-- October 25, 2021 – by Kimberlee Kruesi and Jonathan Matisse

A Tennessee state senator and a Nashville social club owner were indicted on charges that they violated campaign finance laws by illegally concealing the transfer of $91,000 during the lawmaker’s 2016 failed congressional campaign, federal investigators announced Monday.

A federal grand jury in Nashville handed down the five-count indictment against state Sen. Brian Kelsey and Joshua Smith on Friday, the acting U.S. attorneys for the state's middle and western districts and an assistant attorney general from the federal Justice Department said in a news release.

Kelsey responded defiantly, calling the charges a “political witch hunt.”

"I'm totally innocent and I look forward to being cleared at trial,” he said.

Kelsey and Smith “unlawfully and secretly” funneled funds from Kelsey's state Senate campaign committee to his federal congressional campaign committee, according to the indictment released Monday.

Prosecutors also allege that Kelsey and others caused a national nonprofit political organization to make illegal and excessive campaign contributions to Kelsey by coordinating with the organization on advertisements, and caused the organization to file false reports to the Federal Election Commission. Authorities did not name the national organization.

The indictment mentions, but does not charge, two alleged co-conspirators, one of whom is described as an attorney and former Tennessee House member expelled in 2016. Rep. Jeremy Durham, from Franklin, was the only lawmaker expelled that year.

Kelsey, Smith and the unidentified co-conspirators moved tens of thousands of dollars to the political organization in 2016, according to the indictment.

“It was a purpose of the conspiracy to unlawfully and secretly funnel soft money from state committee 1 to (the political organization) to support Kelsey's federal campaign,” the indictment stated.

The indictment goes on to allege that the political organization filed several reports claiming that it made “independent expenditures” on Kelsey's behalf when “in truth and in fact, the expenditure was coordinated with Kelsey and his agents and was not independent.”

Smith is the owner of The Standard, a restaurant and private club near the state Capitol that is often frequented by lawmakers. His attorney, Hal Hardin, said Monday that he and his client “look forward to presenting our proof to an impartial jury and judge.”

The claims in the indictment resemble a complaint against Kelsey’s campaign filed with the Federal Election Commission and the Department of Justice in 2017 by the Campaign Legal Center, a nonprofit focused on issues that include campaign finance laws, voting protections, ethics and redistricting. That complaint claimed that independent expenditures made by the American Conservative Union in the 2016 race were coordinated with Kelsey's congressional campaign. A spokesperson for the prominent nonprofit conservative organization said Monday that it has been “fully cooperating with this investigation since 2018.”

“We take compliance seriously, and are very proud of the work we continue to do to advocate for conservatism,” wrote Regina Bratton. “Neither ACU nor any member of the board is a subject or target of this investigation.”

Brendan Fischer, director of the Campaign Legal Center's Federal Reform Program, on Monday commended federal authorities for the charges.

“We’re certainly pleased that the DOJ has taken our complaint seriously. This is a serious, serious violation,” he said. “Kelsey concocted a scheme to disguise the illegal transfer of prohibited state money into his federal race.”

Lt. Gov. Randy McNally, the leader of the state Senate, said he is reserving judgment for now.

“I am obviously saddened by this news," McNally said in a statement. "It is important to remember that under our laws, Senator Kelsey is innocent until proven guilty. He will have the opportunity to answer this indictment in the coming days.”

The first court appearance for Kelsey and Smith is scheduled for Nov. 5. If convicted, they face up to five years in prison on each count.

The indictment is the second time in a little more than a year that a Tennessee lawmaker has been indicted.

Last month, state Sen. Katrina Robinson of Memphis was convicted of four of five counts of wire fraud stemming from charges that she misused federal grant money awarded to a health care school she operated. A judge had acquitted her on 15 of 20 charges. Robinson, who was initially indicted in July 2020, is seeking an acquittal or a new trial and has not resigned her legislative post as Lt. Gov. Randy McNally asked her to do after her conviction.

Meanwhile, several state House lawmakers, including former House Speaker Glen Casada, state Rep. Robin Smith and Rep. Todd Warner, had their homes and legislative offices searched by federal agents earlier this year. Warner told state regulators earlier this year that federal agents took all the files and documents related to his campaign. Federal authorities have released scant details about what they were looking for.