

Miami Mayor Suarez Jumps into Presidential Race—What Are the Pay-to-Play Considerations?

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Miami Mayor Francis X. Suarez is the latest candidate to enter the growing field for the 2024 Republican presidential nomination. With Suarez’s June 15 announcement, he became the third state or local officeholder to enter the GOP race—joining Florida Governor **Ron DeSantis** and North Dakota Governor **Doug Burgum**. Mayor Suarez’s candidacy, as a current local official, highlights the critical need for investment advisers, broker-dealers and other financial industry participants to update their political contribution approval procedures and internal education efforts.

Contributing to any political campaign (including for a presidential primary) potentially implicates various federal pay-to-play rules, including:

- Securities and Exchange Commission Rule 206(4)-5 (the “SEC Rule”).
- Municipal Securities Rulemaking Board Rule G-37 (the “MSRB Rule”).
- Commodity Futures Trading Commission Rule 23.451 (the “CFTC Rule”).

Prospective contributors to Mayor Suarez’s presidential campaign who are covered by these rules should therefore determine whether the mayor has the authority to influence the selection of advisers to Miami municipal retirement plans (under the SEC Rule) or issuers of municipal bonds (under the MSRB Rule). It is not uncommon for mayors to possess such authority. As with all pay-to-play assessments, a careful review of each governmental entity’s charter, powers and operations should be considered.

State and local pay-to-play laws may also apply to candidates for president who are state or local officeholders. Although Florida has state-level pay-to-play rules (which should not apply to municipal candidates or officeholders), the city of Miami does not.

The Akin political law team will continue to monitor developments to keep clients informed on this and other key issues. We are available to develop and implement compliance programs, conduct due diligence and pre-clear contributions for businesses covered by federal, state and local pay-to-play rules.

If you have questions about this client alert, please contact any Akin lawyer or advisor below:

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