Lobbying Reports: An Overview

A. Where to File

File all reports and statements discussed in this manual with the Secretary of State. Some reports will be filed as paper copies only, some will be filed electronically, and others will be filed electronically and on paper, as described below.

Address **paper filings** as follows:

Secretary of State
Political Reform Division
1500 11th Street, Room 495
Sacramento, CA 95814

For additional information: 916-653-6224 or www.sos.ca.gov

Electronic Filing

Qualifying for Electronic Filing (E-filing): Lobbying reports must be filed electronically if the total amount of any category of reportable payments, expenses, gifts, or other items is $2,500 or more in the calendar quarter. Calculate each quarter and category of payments separately to determine if electronic filing is required. A lobbyist employer need not count campaign contributions it makes toward the $2,500 threshold if, in that quarter, the contributions are reported on the employer's sponsored committee's campaign statement and refers to the statement on the lobbying report.

If a lobbyist employer or lobbying firm must file electronically, the lobbyists the employer or firm employs also must file electronically. If a lobbyist employer hires a lobbying firm that files electronically, the employer is not automatically required to file electronically.

A person may voluntarily file electronically prior to qualifying as an electronic filer. But paper reports must be filed until the electronic filing requirements are met.

Electronic filers must obtain a login identification number and password from the Secretary of State. When filing a report electronically, the filer files under penalty of perjury. The filer may also designate a vendor or other service provider to file on his or her behalf and provide the vendor with the identification number and password. The filer files reports under penalty of perjury even if the filer authorizes a third party to file the reports with the Secretary of State.

The Secretary of State and other software vendors offer online filing.

Registration Forms: E-filers must file all future registration forms on paper and electronically.

Quarterly Reports: E-filers file quarterly reports (Forms 615, 625, 635, 645 and attachments) electronically only. No paper copies are required.

Notes

- The Secretary of State accepts postmarks for timeliness. The filer can rebut the presumption that he or she failed to mail a form with a dated post office receipt and the Secretary of State's name and address.
- Deadlines that fall on a Saturday, Sunday, or an official state holiday are extended to the next business day.
- Do not submit reports by fax.
- Persons who file after a deadline are liable for a fine of $10 per day, calculated from the day after the deadline, until the report is received. The Secretary of State may assess a $10 per day late fine on both the paper and electronic version of the reports, resulting in a $20 per day fine for registration forms not filed timely.
- Persons who fail to file lobbying reports may be subject to an administrative penalty of up to $5,000 on either the paper or electronic versions.

Ex 2.1 - In the first quarter of the calendar year, a lobbyist employer paid its in-house lobbyists $2,000 for lobbying activity and made payments of $1,000 in reportable contributions. Because this was the first time the company qualified as a lobbyist employer, and it did not spend $2,500 or more in any one category of reportable payments, the Act requires it to file its registration and certification statements (Forms 603 and 604) and its quarterly report (Form 635) on paper only, not electronically. In the second calendar quarter, the employer paid its in-house lobbyists a total of $6,000 for lobbying activity. The employer must now file the Form 635 electronically for the second quarter and all subsequent quarters, even if the employer does not spend $2,500 or more in any one category of reportable payments in the future.

- A person may file reports any time up to and including the filing deadline, so long as the report includes all required information. A person must file an amendment by the deadline if the early filed report did not include all reportable activity.

- The filer must sign the paper report or the $10 late fine may apply, even if it is filed on time. An agent may sign the report and attach an explanatory note if the filer is unavailable by the deadline. The filer must submit an amendment with the proper signature as soon as possible.

B. Lobbying Forms

Type of Form	Filed By
601 – Lobbying Firm Registration Statement	Business entities (including individual contract lobbyists) that engage in lobbying activity on behalf of any other person.
602 – Lobbying Firm Activity Authorization	Persons who employ or contract with a lobbying firm file with the lobbying firm's registration statement, Form 601, or with an amendment to a lobbying firm's registration statement, Form 605, when the lobbying firm adds a client.
603 – Lobbyist Employer or Lobbying Coalition Registration Statement	Persons who employ one or more in-house lobbyists.
604 – Lobbyist Certification Statement	Individuals who qualify as lobbyists, including individual contract lobbyists.
605 – Amendment to Registration – Lobbying Firm, Lobbyist Employer, and Lobbying Coalition	Amend registration forms filed by lobbying firms, Form 601, and lobbyist employers/lobbying coalitions, Form 603.
606 – Notice of Termination	Lobbyists, lobbying firms, and lobbyist employers/lobbying coalitions that cease all lobbying activity during a legislative session.

Type of Form	Filed By
607 – Notice of Withdrawal	A lobbyist or lobbying firm that filed a certification or registration statement, respectively, but never qualified as a lobbyist or a lobbying firm.
615 – Lobbyist Report	Lobbyists (including contract lobbyists) to disclose payments made in connection with influencing legislative or administrative action.
625 – Report of Lobbying Firm	Lobbying firms (including contract lobbyists) to disclose legislative or administrative action the lobbying firm attempted to influence, and payments made and received in connection with influencing legislative or administrative action.
630 – Attachment Form – Payments Made to Lobbying Coalitions	Lobbying firms, lobbyist employers, and $5,000 filers to disclose payments to a lobbying coalition.
635 – Report of Lobbyist Employer and Report of Lobbying Coalition	Lobbyist employers/lobbying coalitions to disclose legislative or administrative action the employer/ coalition attempted to influence, and payments made in connection with influencing legislative or administrative action.
635- C – Attachment Form – Payments Received by Lobbying Coalitions	Lobbying coalitions to disclose payments received from members of the coalition.

640 – Attachment Form – Other Payments to Influence Legislative or Administrative Action	Lobbyist employers/lobbying coalitions and $5,000 filers to disclose "Other Payments to Influence Legislative or Administrative Action." State and local government agencies itemize these payments of $250 or more. Other lobbyist employers and 5,000 filers itemize these payments of $2,500 or more.
Type of Form	**Filed By**
645 – Report of Person Spending $5,000 or More to Influence Legislative or Administrative Action	Persons who do not employ a lobbyist or contract with a lobbying firm but who make payments to influence legislative or administrative action (including payments to a lobbying coalition) totaling $5,000 or more in a calendar quarter.
690 – Amendment to Lobbying Disclosure Report	Amend a lobbying disclosure report filed on paper. E-filers file a new version of the prior report.

C. Initial Registration Forms

Lobbyists: Lobbyist Certification Statement, Form 604. Due within 10 days of qualifying as a lobbyist.

Lobbying Firms: Lobbying Firm Registration Statement, Form 601. Due within 10 days of qualifying as a lobbying firm.

Lobbyist Employers/Lobbying Coalitions:

- Employ an In-House Lobbyist: File Lobbyist Employer Registration Statement, Form 603. Due within 10 days after a partner, owner, officer, or employee qualifies as an in-house lobbyist.

- Retain a Lobbying Firm: File Lobbying Firm Authorization Statement, Form 602. Due before lobbying activity occurs. The Form 602 is provided to the lobbying firm for filing.

Note: A person who employs both an in-house lobbyist and a contract lobbyist must complete both Form 603 and Form 602 on or before the applicable deadlines.

$5,000 filers do not file registration statements.

Placement Agents: There is no grace period for "placement agents" to register. Generally, a placement agent must file the Certification Statement, Form 604, prior to initial contact with the state retirement board.

An individual who qualifies as a placement agent must complete and sign the Lobbyist Certification Statement, Form 604, in addition to one of the following forms:

- If a placement agent is employed on a "contract basis," he or she files the Form 604 with the Lobbying Firm Registration Statement, Form 601. Generally, the placement agent will complete both forms. The external management firm, other placement agent, or similar entity will complete the Lobbying Firm Activity Authorization, Form 602. Three forms must be filed under this arrangement.

- If a placement agent is an "employee" of an external management firm or another placement agent, the requirements are different. In this case, the placement agent files the Form 604 with the Lobbyist Employer/Lobbying Coalition Registration Statement and the Form 603, which identifies the external management firm, another placement agent or similar entity.

Deadlines for completing an Amendment to Registration, Form 605, are as follows:

Lobbying firm adding a new client	Prior to attempting to influence legislative or administrative action on behalf of the client.
Firm or employer adding a new lobbyist	Within 20 days of effective date.
Firm or employer deleting a client, lobbyist, lobbying firm	Within 20 days of effective date.
Other changes	Within 20 days of any other change.

D. Renewing Registration

Between November 1 and December 31 of each even-numbered year, lobbying firms and lobbyist employers/lobbying coalitions must file new registration statements, Form 601, Form 602, or Form 603.

- File reports electronically and on paper if an e-filer.
- At the end of each legislative session, all registration statements for that legislative session expire and no additional forms must be filed if lobbying will cease.

E. Quarterly Disclosure Reports

Quarterly reports disclose receipts and payments in connection with lobbying activity and is due after each calendar quarter.

Deadline	Reporting Period
April 30	January, February, and March
July 31	April, May, and June
October 31	July, August, and September
January 31	October, November, and December

Filers, other than $5,000 filers, must file a report, regardless of the level of activity and whether or not any payments have been made or received during the calendar quarter. The period covered for all

quarterly reports is the first day of the calendar quarter through the last day of the calendar quarter. This is true even if a filer begins services during a calendar quarter.

$5,000 filers must file a report electronically for each calendar quarter in which they make payments totaling $5,000 or more. Reports are not required for any calendar quarter in which they do not spend $5,000, or if all of their payments are "activity expenses."

F. Ceasing Lobbying Activity

If a lobbyist, lobbying firm, or registered lobbyist employer/lobbying coalition **ceases all lobbying activities** during the legislative session, each must file a Notice of Termination, Form 606, electronically, if applicable, and on paper within **20 days** after ceasing lobbying activities.

A filer ceasing all lobbying activities at the close of a regular (biennial) session of the Legislature need not file a termination statement as all registrations expire automatically.

Note: Lobbyists and lobbying firms ceasing lobbying activity remain subject to the $10 gift prohibition for six months after ceasing lobbying activity or six months after the close of the legislative session, whichever is earlier. This six-month rule does not apply to the campaign contribution prohibition.

A person must file a Notice of Withdrawal, Form 607, when he or she registers but never meets the Act's definition of "lobbyist" or "lobbying firm." Individuals and lobbying firms eligible to file Form 607 are not subject to the gift or contribution prohibition.

Answering Your Questions

A. We are a lobbyist employer and have never reached the $2,500 electronic filing threshold for any calendar quarter. Between April 1 and June 30 of this year, however, we contributed $2,500 or more to state candidates we are otherwise required to report. We made the contributions through our sponsored committee and will refer to our committee's report on the Form 635 instead of itemizing the contributions. Must we now file electronically?

No. As long as your sponsored committee made the contributions and you refer to your committee's campaign statement on your Form 635, you are not required to count those contributions toward the $2,500 e-filing reporting threshold.

B. We file our quarterly reports electronically. At the beginning of the next legislative session, we intend to renew our registration. Should we file our registration statements electronically?

Yes. If you filed reports electronically in one legislative session and re-registered for the following session, you must file all future registration statements electronically (as well as on paper).

C. What forms are required if more than one employee of an entity qualifies as a placement agent and must register as a lobbyist?

Each individual placement agent/lobbyist must complete Form 604. Each lobbyist must submit a recent photo from the shoulders up and a $50 registration fee per year ($100 if filing a renewal registration for the biennial session). These are filed with one Form 603.

D. A registered lobbying firm (Firm A) with an individual placement agent/lobbyist has registered several external managers as clients that Firm A will be representing before CalPERS and CalSTRS. Firm A decides it wants to subcontract with another individual/placement agent to represent one of Firm A's registered clients before CalPERS and CalSTRS. What registration forms are required?

The registration forms are different depending on whether the subcontractor is registered as a lobbying firm as described below:

Firm A must provide to the subcontracting firm, Firm B, Form 602, Lobbying Firm Activity Authorization, which lists the name(s) of the subcontracted external manager(s).

Firm B, if currently registered, completes Form 605, Amendment to Registration and identifies Firm A in Part I on that form. Firm B identifies both Firm A and the identity of the subcontracted external managers in Part II, Section B and files both the Form 605 and the Form 602 with Secretary of State.

Firm B, if not registered, completes Form 601, Lobbying Firm Registration Statement. In Part I, Firm B lists each individual placement agent who will represent "clients" before CalPERS and CalSTRS, and include a Form 604, Lobbyist Certification Statement for each placement agent/lobbyist. Complete Part II, Section B, identifying Firm A and the subcontracted external manager(s). File Forms 601, 604, and the Form 602 with Secretary of State, along with the lobbyist photo(s) and the registration fees.

Note: The law requires a specific description of the external manager on Page 2 of the Form 602 and Form 603. Most entities must check the "Business Entity" category in and, in the appropriate sections, further define the external manager's nature and interest.

Authority

The following Government Code sections and Title 2 regulations provide authority for the information in this chapter:

Government Code Sections

81007	Mailing of Report or Statement.
84605	Who Shall File Online.
84606	Operation of Online System.
86100	Registration.
86101	Registration; Time.
86103	Lobbyist Certification; Requirements.
86104	Lobbying Firm; Registration Requirements.
86105	Lobbyist Employer; Registration Requirements.
86106	Renewal of Registration.
86107	Registration Statement; Amendment; Termination.
86117	Periodic Reports; Filing; Time.
86118	Periodic Reports; Where to File.
91013	Late Filing of Statement or Report; Fees.

Title 2 Regulations

18116	Reports and Statements; Filing Dates.
18601	Withdrawal of Lobbyist Certification or Lobbying Firm Registration.
18617	Early Filing of Periodic Reports.