

# Memorandum

To : Barbara A. Milman

Date : July 23, 1985  
No. M-85-163

From : FAIR POLITICAL PRACTICES COMMISSION  
Diane Maura Fishburn 

Subject: Personal Loans to Legislators Made by Major Donor/Lobbyist Employer

## FACTS:

The majority shareholder of a close corporation has been a major donor for two years. Recently he/the corporation became a lobbyist employer. He has made personal loans to legislators (interest only, callable at will) to be used for business and real estate investments. The money does not go to the legislators' campaign committees. As far as he knows, these loans have been disclosed on the legislators' SEIs.

## QUESTION

How should these loans be reported?

## ADVICE:

The loans should be reported on the lobbyist employer report as activity expenses if made during the period covered by the statement. The outstanding loans do not have to be reported on a continuing basis.

## COMMENT:

We should consider this situation when we amend our lobbying regulations.

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