



California  
Fair Political  
Practices Commission

**SUPERSEDED**

by: 18238.5(c)

March 8, 1988

Hedy Govenar  
Governmental Advocates, Inc.  
1127 - 11th St., Ste. 509  
Sacramento, CA 95814

Re: Your Request for Advice  
Our File No. A-88-068

Dear Ms. Govenar:

You have requested advice concerning the lobbying disclosure provisions of the Political Reform Act.<sup>1/</sup>

QUESTION

Are the individual lobbyists who have exclusive contracts to provide lobbying services to clients of Governmental Advocates, Inc. required to register and file reports as separate lobbying firms?

CONCLUSION

Lobbyists who contract with Governmental Advocates, Inc. are lobbying firms and must register and file reports as individual lobbying firms.

FACTS

You are president, secretary and chief financial officer of Governmental Advocates, Inc., as well as the corporation's only employee lobbyist. Two other lobbyists provide services to the corporation's clients under contract to Governmental Advocates. Although they are compensated as contractors and pay self-employment taxes, they lobby exclusively for clients of Governmental Advocates.

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<sup>1/</sup>Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, *et seq.* All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

ANALYSIS

The Act requires lobbyists, lobbyist employers and lobbying firms to register and file periodic reports disclosing money spent to influence legislative or administrative action. (Sections 86100-86118.)

Section 82038.5 defines the term "lobbying firm" to include "an individual contract lobbyist." Although the two lobbyists who contract with Governmental Advocates have exclusive contracts with the corporation, they clearly meet the Act's definition of "lobbying firm." Therefore, each of them must register and file disclosure reports as lobbying firms rather than employees of Governmental Advocates.

You also have asked for assistance in determining what steps are necessary to correct past records and filings and to segregate the corporation's activities and records for future filings. Because your former method of filing resulted in no measurable loss of information to the public, it is not necessary for you to amend previous filings. However, effective April 1, 1988 (the beginning of the second reporting period), the two contract lobbyists must register as lobbying firms and begin filing quarterly disclosure reports as lobbying firms.

Enclosed are the appropriate registration and reporting forms. Please contact me at (916) 322-5662 if you need assistance in making these changes.

Sincerely,

Diane M. Griffiths  
General Counsel

*Carla Wardlow*

By: Carla Wardlow  
Political Reform Consultant

Enclosures