

(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations)

§ 18625. Placing Official Under Personal Obligation.

(a) For purposes of Government Code Section 86205(a), placing an elected state officer, legislative official, agency official, or state candidate the lobbyist or lobbying firm is registered to lobby under personal obligation includes:

(1) Arranging or making a loan whether secured or unsecured, to the elected state officer, legislative official, agency official or state candidate, either directly or through an agent.

(2) Failing to make sufficient efforts to collect debt for services provided to the elected state officer, legislative official, agency official or state candidate.

(b) A lobbyist or lobbying firm “arranges” a loan when the lobbyist or lobbying firm:

(1) Refers the elected state officer, legislative official, agency official, or state candidate, who is to be the recipient of the loan, to an individual for the purpose of facilitating the making of the loan and has any contact with any individual to facilitate the making of the loan; or,

(2) Cosigns, guarantees, furnishes security for, or endorses the loan for the elected state officer, legislative official, agency official, or state candidate.

(c) A lobbyist or lobbying firm fails to make sufficient efforts to collect debt for services provided to the elected state officer, legislative official, agency official or state candidate if the lobbyist or lobbying firm does not:

(1) Follow collection processes or procedures provided for in the contract with the elected state officer, legislative official, agency official or state candidate.

(2) Follow collection processes or procedures employed by the lobbyist or lobbying firm during its regular course of business in similar circumstances.

(3) Attempt in good faith and use best efforts to collect the debt.

(d) Notwithstanding subdivision (c), the lobbyist or lobbying firm will not be in violation of Section 86205(a) if the lobbyist or lobbying firm initiates and pursues legal action, such as filing a civil complaint or compelling binding arbitration, to collect the past due debt. Any collection effort initiated pursuant to this subdivision must be initiated no later than 6 months from:

(1) The last day of the month in which the unpaid services were provided; or

(2) The date of a candidate's election to office where payment for the services related to the election is contingent on the candidate being elected.

Credits

NOTE: Authority cited: Section 83112, Government Code. Reference: Section 86205, Government Code.

HISTORY

1. New section filed 10-19-89, operative 11-18-89 (Register 89, No. 42).
2. Amendment of section heading and section filed 12-13-2022; operative 1-12-2023 pursuant to Cal. Code Regs., tit. 2, section 18312(e). Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2022, No. 50).