Adopt 2 Cal. Code Regs., Section 18626 to read:

§18626. Contingency Fee Prohibition.

(a) For purposes of Section 86205, subdivision (f), the phrase “any payment in any way contingent” means every type of payment, including payment of a fee, salary, bonus, commission or any other form of compensation, which payment is dependent to any degree on the defeat, enactment, or outcome of any proposed legislative or administrative action.

(b) A contract for lobbying services does not, in itself violate Section 86205(f) if it:

(1) Expressly states the agreed upon terms of compensation to be received in return for those lobbying services.

(2) Provides no discretion to make the agreed upon payment dependent to any degree on a specific outcome of the proposed legislative or administrative action for which the lobbying services are to be rendered.