



California Fair Political Practices Commission

April 12, 1988

Hedy Govenar
Governmental Advocates, Inc.
1127 - 11th Street, Suite 509
Sacramento, Ca 95814

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

Dear Ms. Govenar:

Following receipt of our advice letter (No. A-86-068), you have written to request that the Commission amend the term "lobbying firm," as used in the Political Reform Act,^{1/} to allow lobbyists for an organization such as yours to file as a single lobbying firm. The staff has reviewed your request and believes the request is a reasonable one which will still provide the public with the information necessary to satisfy the purposes of the Act. Accordingly, it is our intention to present to the Commission a proposal to amend Commission Regulation 18238.5 which defines the term "lobbying firm." A draft version of that proposal is attached. I would appreciate receiving your comments on the proposal as soon as possible.

Assuming the proposal is satisfactory, we anticipate it will be presented to the Commission at the May 3 meeting. If the Commission approves the proposal, we will publish notice of the proposed regulation and will present it to the Commission for final adoption sometime during the summer.

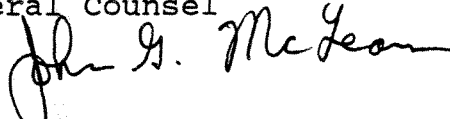
^{1/} Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, *et seq.* All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

Hedy Govenar
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If you have any questions please contact me at
(916) 322-5901.

Sincerely,

Diane M. Griffiths
General Counsel

A handwritten signature in cursive script that reads "John G. McLean". The signature is written in dark ink and is positioned over the typed name of the sender.

By: John G. McLean
Counsel, Legal Division

DMG:JGM:plh
Attachment

Amend 2 Cal. Code of Regs. Section 18238.5 to read:

18238.5. Definition of Lobbying Firm; Individual Contract Lobbyist

(a) A business entity is a lobbying firm pursuant to Government Code Section 82038.5(a)(2) if it receives or becomes entitled to receive at least \$5,000 in compensation in any calendar quarter for the purpose of influencing legislative or administrative action on behalf of any other person, and any partner, owner, officer, or employee of the business entity engages in direct communication for the purpose of influencing legislative or administrative action.

(b) The definitions in Section 18239(d) apply to this section.

(c) An "individual contract lobbyist" as used in the definition of a "lobbying firm" pursuant to Government Code Section 82038.5, does not include an individual lobbyist if:

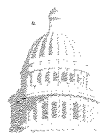
(1) The lobbyist contracts exclusively with one lobbying firm;

(2) The lobbyist's certification is included with the lobbying firm's registration statement; and

(3) The lobbyist does not file a lobbying firm registration statement independent of the lobbying firm.

AUTHORITY: Gov. Code Section 83112

REFERENCE: Gov. Code Section 82038.5; 86104



GOVERNMENTAL ADVOCATES, INC.

Legislative Advocacy/Governmental Affairs

F P P C

FEB 9 8 53 AM '88

February 8, 1988

Ms. Carla Wardlaw, Political Reform Consultant
Fair Political Practices Commission
P.O. Box 807
Sacramento, California 95804

Dear Carla:

As you suggested in our telephone conversation today, we are sending this letter to explain how Governmental Advocates functions with its individual lobbyists.

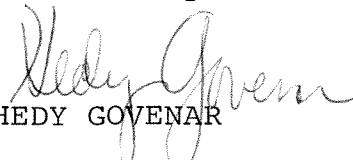
I am the President, Secretary and Chief Financial Officer of the Corporation, and its only employed lobbyist. I am also the only voting Director. The two other Governmental Advocates' lobbyists are non-voting Vice-Presidents of the Corporation, and have exclusive contracts to lobby by and for Governmental Advocates only. They are compensated as contractors and pay self-employment taxes. However, any lobbying contracts are done through the entity of Governmental Advocates.

We were advised through the FPPC Seminar and paid professional consultants, to file as a single firm whose lobbyists worked for, and were compensated by, that single entity. However, our recent audit report cites us for failing to file as separate lobbying firms.

In view of the above, would you please determine for us the proper filing mode for Governmental Advocates, Inc. and for each of its lobbyists. If it is determined that we have been filing incorrectly, we will need considerable technical assistance to rectify the filings and to segregate the entity's activities and records into separate filers for future reports.

Thank you for assistance in making clear the purpose, intent, and implementation of this section of the reporting requirements.

Yours truly,


HEDY GOVENAR

HG:bm



California Fair Political Practices Commission

February 10, 1988

Hedy Govenar
Governmental Advocates, Inc.
1127 - 11th Street, Suite 509
Sacramento, CA 95814

Re: 88-068

Dear Ms. Govenar:

Your letter requesting advice under the Political Reform Act was received on February 9, 1988 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact me directly at (916) 322-5662.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or more information is needed, you should expect a response within 21 working days if your request seeks formal written advice. If more information is needed, the person assigned to prepare a response to your request will contact you shortly to advise you as to the information needed. If your request is for informal assistance, we will answer it as quickly as we can. (See Commission Regulation 18329 (2 Cal. Adm. Code Sec. 18329).)

You also should be aware that your letter and our response are public records which may be disclosed to the public upon receipt of a proper request for disclosure.

Very truly yours,

Jeanne Pritchard
Jeanne Pritchard
Chief
Technical Assistance and Analysis
Division

JP:plh