



California Fair Political Practices Commission

November 18, 1991

Nancy L. Vandenberg
Director, State Government Affairs
Enron Corp.
P.O. Box 1188
Houston, Texas 77251-1188

RE: Your Request for Advice
Our File No. A-91-489

Dear Ms. Vandenberg:

You have requested advice under the lobbying provisions of the Political Reform Act (the "Act").^{1/}

QUESTION

How should Enron Corp. (Enron) and its subsidiaries register as a lobbyist employer and file reports under the lobbying disclosure provisions of the Act?

CONCLUSION

Enron must amend its registration statement to include the names of all of its subsidiaries making payments to Enron for lobbying purposes. Enron and its subsidiaries must file one lobbyist employer report quarterly. In addition, Enron must attach a letter to its quarterly lobbying reports listing the name of each subsidiary and the total payment made to Enron by the subsidiary for lobbying purposes.

FACTS

Enron Corp. is currently registered in California as a lobbyist employer employing Applied Strategies to lobby on its behalf. Enron Corp. is the parent corporation of several subsidiaries including Enron Liquid Fuels, Enron Gas Marketing, Enron Oil & Gas, Enron Power Corp., and Transwestern Pipeline Company. Enron Corp. pays Applied Strategies with one check and then allocates respective portions of that expense to the appropriate Enron subsidiaries.

^{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

ANALYSIS

In similar situations, the Commission has advised that a corporation and its subsidiaries file a single lobbyist employer report. (Savage Advice Letter, No. A-86-103.)^{2/} Enron's registration statement authorizing Applied Strategies to lobby on its behalf (Form 602) must be amended to include under "Name of Lobbyist Employer" Enron Corp. and its subsidiaries Enron Liquid Fuels, Enron Gas Marketing, Enron Oil & Gas, Enron Power Corp., and Transwestern Pipeline Company. The Form 635 Report of Lobbyist Employer filed each quarter must contain the same name. In addition, Enron must attach a letter to its quarterly lobbying reports listing the name of each subsidiary and the total payment made to Enron by the subsidiary for lobbying purposes.

If you have further questions in connection with the above, please do not hesitate to call me at 916/322-5662.

Sincerely,

Scott Hallabrin
Acting General Counsel



By: Mary Ann Kvasager
Political Reform Consultant

^{2/} Division 6 of the California Code of Regulations.

^{2/} Copies of Commission regulations and opinions are available in many law libraries. Alternatively, copies of these materials and Commission advice letters may be obtained from the Commission at a cost of 10¢ per page.