



California Fair Political Practices Commission

April 20, 1992

Allan E. Tebbetts
Carlsmith, Ball, Wichman,
Murray, Case, Maukai & Ichiki
301 East Ocean Boulevard, Suite 700
Long Beach, CA 90802-4828

Re: Your Request for Informal Assistance
Our File No. I-92-154

Dear Mr. Tebbetts:

You have requested advice regarding the lobbying provisions of the Political Reform Act (the "Act").^{1/} Because you have not identified the person on whose behalf you are seeking assistance, we treat your letter as a request for informal assistance, rather than formal advice.^{2/}

QUESTIONS

1. Must a lobbying firm report compensation payments (e.g. salary, dividends) made to a former lobbyist?
2. Must a former lobbyist re-register as a lobbyist if he refrains from communicating directly or indirectly with legislative and administrative officials for the purpose of influencing legislative or administrative action but continues to provide advice to employees of the lobbying firm and to the firm's clients?

^{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.

^{2/} Informal assistance does not provide the requestor with the immunity provided by an opinion or formal written advice. (Government Code Section 83114; 2 Cal. Code of Regs. Section 18329(c)(3).)

CONCLUSIONS

1. A lobbying firm is not required to report compensation payments made to a former lobbyist.
2. A former lobbyist would not be required to re-register as a lobbyist as long as he does not communicate directly or through an agent with legislative or administrative officials for the purpose of influencing legislative or administrative action.

FACTS

An individual in a lobbying firm intends to terminate his lobbyist certification and refrain from any direct or indirect communication with legislative or administrative officials for the purpose of influencing legislative or administrative action on behalf of the firm's clients. He will remain a shareholder in the lobbying firm.

ANALYSIS

Section 86114 requires lobbying firms to file periodic reports and prescribes the content of such reports. Compensation payments (e.g. salary, dividends) to lobbyists or former lobbyists employed by a lobbying firm are not required to be disclosed.

Section 82039 defines a "lobbyist" as:

...any individual who is employed or contracts for economic consideration ... to communicate directly or through his or her agents with any elective state official, agency official or legislative official for the purpose of influencing legislative or administrative action, if a substantial or regular portion of the activities for which he or she receives consideration is for the purpose of influencing legislative or administrative action.

Section 86107 sets out the provisions relating to terminating a lobbyist's registration. It states, in pertinent part:

...if the lobbyist terminates all activity which required the certification, the lobbyist shall submit an amended certification or notice of termination to his or her lobbying firm or lobbyist employer for filing with the Secretary of State...

A lobbyist who ceases all activities which required his registration must submit a Statement of Termination (Form 606) to

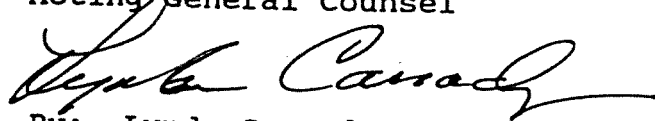
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the lobbying firm for filing with the Secretary of State.^{3/} Upon filing a Statement of Termination, a former lobbyist must meet the requirements of Section 82039 before he will be required to re-register as a lobbyist. According to your facts, the former lobbyist will not communicate directly or through an agent with officials for the purpose of influencing legislative or administrative action. Therefore, he will not re-qualify as a lobbyist. The fact that he is a former lobbyist and will provide advice to firm employees or to the firm's clients will not in itself require him to re-register as a lobbyist.

Please do not hesitate to contact me at (916) 322-5662 if you have additional questions.

Sincerely,

Scott Hallabrin
Acting General Counsel



By: Lynda Cassady
Political Reform Consultant

^{3/} Lobbyists are subject to the \$10 gift limit for 6 months after filing their termination statement or six months after the close of a regular session when the lobbyist ceases all lobbying activity.