

California Fair Political Practices Commission

Frequently Asked Questions: Lobbying

Registration	Page 1	The \$10 Gift Limit	Page 2
Arranging Gifts	Page 4	Contribution Restrictions	Page 5
Revolving Door	Page 6	Miscellaneous	Page 6

Registration

1. Q. If a lobbying firm or lobbyist employer qualifies as an electronic filer, must the lobbyist also electronically file with the Secretary of State?
A. Yes. The lobbyist must also file their lobbyist reports electronically.
2. Q. May a lobbying firm lobby on a pro bono basis on behalf of its client without amending its lobbying firm registration statement to add the client?
A. Yes. A lobbying firm may provide pro bono lobbying services without amending its lobbying firm registration statement to disclose the client.
3. Q. A lobbying firm has a client who is a lobbyist employer. The lobbyist employer terminated its contract with the lobbying firm in the final quarter of the legislative session. The lobbying firm received payments from the lobbyist employer in the first quarter of the next legislative session for the services provided in the prior session. Although terminated, does the lobbyist employer have a reporting obligation?
A. Yes. The lobbyist employer must file a quarterly report to disclose the payments made to the lobbying firm for activity in the prior quarter. The lobbyist employer should include a note stating the payment was made for services rendered in a prior period and legislative session. Please note in this scenario the lobbyist employer is not required to register for the new legislative session in order to file this report.
4. Q. A lobbyist completed their lobbyist certification for the previous legislative session. They qualify as a lobbyist for the next regular legislative session. When must the lobbyist complete the ethics orientation course?
A. A lobbyist who completed a lobbyist certification in connection with the last regular session of the legislature and qualifies again as a lobbyist in connection with the next regular session of the legislature, on or before June 30 of an odd-numbered year, must complete the ethics orientation course no later than June 30 of that odd-numbered year, if the course has not been taken in the prior 12 months of filing a lobbyist certification.
5. Q. May a lobbyist take the ethics orientation course prior to registering as a lobbyist?
A. Yes. The lobbyist may take the ethics orientation course prior to registering. The lobbyist must take the course within 12 months of filing a lobbyist certification in connection with any regular session of the legislature.

The \$10 Gift Limit for Lobbyists & Lobbying Firms

The Political Reform Act (the “Act”) defines a “gift” as any payment that confers a personal benefit on the recipient to the extent that consideration of equal or greater value is not received. This includes a rebate or discount on the price of anything of value unless the rebate or discount is made in the regular course of business to members of the public without regard to official status.

The term “gift” does not include:

- a. Informational material which is provided for the purpose of assisting the recipient in the performance of their official duties, such as books, reports, pamphlets, calendars, periodicals, videotapes, or free or discounted admission to informational conferences or seminars. A payment for travel or reimbursement for any expense is not “informational material.”
 - b. Gifts that are not used and, within 30 days of receipt, are returned to the donor or delivered to a charitable organization without being claimed as a charitable contribution for tax purposes.
 - c. Gifts from an individual’s spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, (including grand nieces, nephews, aunts, and uncles) first cousin, (including once removed first cousin), or the spouse of any such person. However, if any such person is acting as an agent or intermediary for any person not covered by this paragraph, the payment is considered to be a gift.
 - d. Campaign contributions.
 - e. Any devise or inheritance.
 - f. Personalized plaques and trophies with an individual value of less than \$250.
6. Q. Does the FPPC have the authority to change the \$10 limit on gifts from lobbyists or lobbying firms?
- A. No. The Commission has no authority to amend any statute, including the lobbyist and lobbying firm gift limit. The authority to amend the Act rests with the Legislature or with the voters, by means of the initiative process.
7. Q. Are gifts between a lobbyist and their spouse limited when the spouse is a reportable person, e.g., a legislative staff member?
- A. No. As noted above, gifts from family members are not limited by the Act.
8. Q. May a lobbyist take an official to lunch and pay for the lunch with personal funds without regard to the \$10 gift limit?
- A. No. The lobbyist may not provide a gift to an official of more than \$10 within a calendar month, even if the lobbyist pays for the gift from personal funds and will not be reimbursed by their employer.

9. Q. May two lobbyists take an official to lunch and each pay \$10 to purchase a \$20 lunch for the official?
- A. No. A lobbyist may not pay any amount toward a gift for an official if the official will receive more than \$10 in benefits.
10. Q. How may a lobbyist take an official to dinner at a restaurant where all meals cost more than \$10?
- A. The lobbyist may pay \$10 toward the official's meal, with the balance paid by the official. In addition, a lobbyist may attend a meal arranged and paid for by someone other than the lobbyist or a lobbying firm, such as the lobbyist employer, so long as a representative of the employer who is not a lobbyist hosts the meal.
11. Q. May an official and spouse spend a weekend at the vacation home of a lobbyist if the lobbyist does not stay at the house the entire weekend?
- A. If the lobbyist or a member of the lobbyist's immediate family does not stay with the official, use of the home is a gift from the lobbyist, subject to the \$10 limit. Because the value of the use of the home would exceed the \$10 limit, the official could not stay at the vacation home. An official and spouse may no longer stay at a lobbyist's home even if the lobbyist is there unless there is some independent relationship between the lobbyist and the official, and the stay is related to that purpose.
12. Q. Does the \$10 gift limit affect holiday gift exchanges between lobbyists and officials?
- A. Yes. Except as noted above, a lobbyist may not give a gift of more than \$10 to any official, even if there is reciprocity. There is no holiday "time out."
13. Q. May a lobbyist employer arrange and pay for a gift of dinner and entertainment with a cost of \$400 for an official, so long as the lobbyist is not involved?
- A. Yes. The \$10 gift limit does not apply to lobbyist employers.
14. Q. If a lobbyist employer offers a reduced registration fee to officials to attend its conference, will officials who attend receive a gift?
- A. When attendance at a conference assists an official in the performance of their duties, the conference is considered "informational material." This means that free or reduced admission granted to an official is not reportable by the lobbyist employer that provides the admission.

Anything of value, however, other than free admission given to the official, such as meals, lodging, or transportation, will likely be considered a gift, even if provided in connection with the conference. If made or arranged by a lobbyist or lobbying firm, these gifts would be subject to the \$10 gift limit.

15. Q. If a lobbyist or lobbyist employer purchases several tickets to a fundraiser for a charitable organization qualified under Section 501(c)(3) of the Internal Revenue Code, or to a political fundraiser for a candidate or committee, may the lobbyist or lobbyist employer provide those tickets to legislative or agency officials so that they can attend the event?
- A. A ticket (or other admission privilege) to a nonprofit or political fundraiser provided to a public official by someone other than a 501(c)(3) charitable organization or committee hosting the event is a gift to the official, so it is subject to the \$10 gift limit from lobbyists and lobbying firms, and the \$630¹ calendar year gift limit from other sources.

Arranging Gifts

A lobbyist “arranges for the making of a gift” if the lobbyist, either directly or through an agent, does any of the following:

- a. Delivers a gift to the recipient.
 - b. Acts as the representative of the donor, if the donor is not present at the occasion of a gift. This does not include accompanying the recipient to an event where the donor will be present.
 - c. Invites or sends an invitation to an intended recipient regarding the bestowing of a gift.
 - d. Solicits responses from an intended recipient concerning their attendance or nonattendance at the occasion of a gift.
 - e. Is designated as the representative of the donor to receive responses from an intended recipient concerning their attendance or nonattendance at the occasion of a gift.
 - f. Acts as an intermediary in connection with the reimbursement of a recipient’s expenses.
16. Q. May a lobbying firm for an association arrange for an out-of-state speaking engagement for an official to speak at the association’s annual convention?
- A. Out-of-state travel, including travel in connection with the making of a speech, is considered a gift to the official. Because out-of-state travel would exceed the \$10 gift limit, the arrangements for the speaking engagement cannot be made by a lobbying firm, lobbyist, or a person acting as the agent of the lobbying firm or lobbyist.
17. Q. May a lobbyist arrange for a gift of more than \$10 to an official if the lobbyist is acting in their capacity as the executive director of an association?
- A. No. Regardless of other roles a lobbyist may have, the gift limit and the prohibition against arranging for gifts over \$10 apply.

A lobbyist does not “arrange for the making of a gift” if the lobbyist, either directly or through an agent, solely makes recommendations or provides information to the lobbyist’s employer, which includes information obtained from a third party for that purpose, concerning gifts to a public official.

¹ The Commission reviews the annual gift limit biennially to reflect the Consumer Price Index. (Section 89503; Regulation 18940.2.) The annual gift limit for 2025-2026 is \$630. It will be subject to recalculation in 2027-2028.

Contribution Restrictions for Lobbyists

An elected state officer or candidate for elective state office may not accept a contribution from a lobbyist, and a lobbyist may not make a contribution to an elected state officer or candidate for elective state office, if that lobbyist is registered to lobby the governmental agency for which the candidate is seeking election or the governmental agency of the elected state officer.

18. Q. May a lobbyist or a cohabitant of a lobbyist hold a fundraiser for a reportable official at the lobbyist's home or office?
 - A. No. The cost related to a fundraiser is a contribution. Lobbyists may not make personal contributions to a candidate or officeholder if the lobbyist is registered to lobby the candidate's or officeholder's agency.
19. Q. May a lobbyist registered to lobby the Legislature make a contribution to a ballot measure committee controlled by an Assembly member or state senator?
 - A. No. A lobbyist may not make a contribution to a state or local committee controlled by a candidate or officeholder if the lobbyist is registered to lobby the candidate's or officeholder's agency.
20. Q. May a lobbyist make a contribution to a legislator's committee for federal office even if the lobbyist would be prohibited from making a contribution to the legislator's state committee?
 - A. Yes. There is no prohibition under the Act on lobbyists making contributions to a candidate's committee for federal office.
21. Q. The partners of a lobbying firm are not lobbyists. May these partners make a contribution to a state candidate from the lobbying firm's funds?
 - A. Yes. A lobbying firm may make a contribution to a state candidate if no lobbyist participates in the decision to make a contribution.
22. Q. If a lobbying firm hosts a fundraiser, are the costs associated with the fundraiser contributions?
 - A. Yes. A contribution includes a payment a lobbying firm makes related to a fundraising event held at the office of the lobbying firm, including the value of the use of the office. No lobbyist may participate in the decisions related to hosting the fundraiser.
23. Q. I am registered to lobby the Secretary of State's office. May I attend the fundraiser of a candidate running for that office if my employer purchases the ticket?
 - A. Yes. The prohibition against a lobbyist making a contribution to a state candidate does not preclude a lobbyist from delivering a contribution made by their lobbyist employer.

Revolving Door

24. Q. Do the revolving door provisions affect legislative staff?
- A. The revolving door provisions do not affect legislative staffers, except for the provision in Government Code Section 87407, which prohibits a designated employee of the Legislature from making, participating in making, or using their official position to influence any person with whom they are negotiating, or have any arrangement concerning prospective employment. This rule also applies to legislators, all other elected state officials, and state agency employees.
25. Q. Does the one year employment ban found in Government Code Section 87406 apply to appointed state board members?
- A. Yes. The one year employment ban includes officers and members of state administrative agencies. An appointed board member of a state administrative agency is an officer or member of the agency, and would be subject to the prohibition.
26. Q. Do the revolving door provisions apply to former state officers or employees who go to work for other state agencies?
- A. The revolving door provisions do not pertain to state officers or employees who leave their positions and go to work for other state agencies, boards, or commissions, so long as the appearance is on behalf of the state agency, board, or commission. If the appearance is on behalf of anyone else, and the employee is compensated, the revolving door restrictions apply.

Miscellaneous

27. Q. A lobbyist may not be paid on a “contingency” basis. Does this mean that a lobbyist is prohibited from receiving a payment upon introduction of a bill, and then another payment upon passage by the Senate, and then another upon the bill being signed into law, and no payment if it fails?
- A. Yes to all of the above. Any payments received based on the outcome of legislation or administrative action are prohibited.
28. Q. A legislator will be a guest speaker at a lobbyist employer’s annual convention in San Diego. The lobbyist employer will pay for one night’s lodging, food, and beverages on the day of the speech. What are the reporting obligations?
- A. The lobbyist employer must send a gift notification to the legislator within 30 days and also report the expenses on the employer’s quarterly report, Form 635. The legislator must report the lodging expenses and any subsistence expenses or meals that are not provided to other conference attendees on their Statement of Economic Interests, Form 700. The costs for the expenses are not subject to gift limits, as the legislator made a speech.

29. Q. May a lobbyist arrange for an official to speak at an organization's convention if the official will speak only under the condition that the organization makes a contribution to a specified charitable, non-profit organization?
- A. The official is not receiving a gift or honorarium if the organization makes a donation to a charitable organization, so long as:
- the donation is made directly to the charity and is not delivered to the official;
 - the official does not make the donation a condition of their speech;
 - the official does not use the donation as a tax deduction;
 - the donation will have no foreseeable financial effect on the official or their immediate family;
 - the donation is not made in the name of the official; and
 - the official is not identified.
30. Q. At what point must a lobbying firm or lobbyist employer include a state agency on its registration statement?
- A. A lobbying firm or lobbyist employer must amend its registration statement to include a state agency within 20 days of any direct communication by any of its lobbyists.
31. Q. Does the term "activity expense" include gifts given to an individual who has been nominated or selected to be a state agency official if the gift is given prior to that person assuming office?
- A. No. It would, however, include a gift made to any person who is a candidate for elective state office or has been elected or appointed to an elective state office, even if the person has not been sworn into that office. In addition, the official will be required to disclose gifts of \$50 or more received during the 12 months preceding their employment with that agency.
32. Q. May a lobbyist employer send a letter to a legislator's Capitol office stating that a campaign contribution will be delivered to the legislator? May the lobbyist employer telephone the legislator's office with this information?
- A. The Act prohibits personal delivery of a campaign contribution, the transmittal letter for a contribution, or the facsimile of either, in the Capitol, a state office building, or any building for which the State of California pays the majority of the rent other than the legislator's district office. A campaign contribution, transmittal letter, or facsimile, however, may be sent through the U.S. mail. The lobbyist employer may provide information concerning the contribution over the telephone.
33. Q. When officials attend a meal, reception, or other event sponsored by a lobbyist employer, how does the lobbyist employer determine the amount of the gift received by each official?
- A. If it is a ticketed event, the value of a ticket is the face value, which means the price as offered for sale to the general public indicated on the ticket or pass. If the price is not indicated, the value is the price at which the ticket or pass would otherwise be offered for sale to the general public by the venue's operator.
- A "pass" is a ticket that provides repeated access, entry, or admission to a facility or series of events, and for which similar passes are sold to the public. The value of a pass

is equal to the face value of an individual one-time admission multiplied by the official's actual use of the pass and any other individuals who are admitted with the pass up to the face value of the pass.

If a banquet, reception or similar event is conducted as part of a larger event, such as an organization's annual conference, only those costs related to the food and entertainment at the banquet or reception need to be counted towards the cost.

When food and beverages are provided to an official at a restaurant, the gift is the actual cost of the items the official consumed plus a pro rata amount for tax and tip. "Pro rata share" means the cost of all food, catering services, entertainment, and any specific item provided to all attendees as part of the event, divided by the number of acceptances or the number of attendees. It is not permissible to divide the total cost of the event by the number of individuals invited. It is encouraged to use a sign-in sheet to identify the reportable persons who attend an event that is an activity expense.

Please note that an official's gift includes the official's guest's amount.

34. Q. When officials attend a meal, reception, or other event sponsored by a lobbyist employer, which attendees must be disclosed on the lobbyist employer report?

A. To determine which officials to include on the lobbyist employer report, only those officials who attended the event should be disclosed. Immediate family members of those officials must also be disclosed if the family member attended the event. In some cases, a guest book or sign-in sheet should be used to identify those persons who must be disclosed. Other non-officials, and officials who were invited but did not attend the event, should not be included.

If an official notifies the lobbyist employer in writing that they did not stay for any meal or entertainment and received only minimal appetizers and drinks, the value of the gift is the value of any specific item, other than food, that is presented to the official and any guest accompanying the official. If the lobbyist employer already disclosed the amount on a quarterly statement, they may adjust the amount benefiting the reportable person by filing an amendment. (See Regulations 18640 and 18946.2).

35. Q. Is a contribution to a campaign considered income or a gift to an official for conflict of interest purposes?

A. No, neither. Campaign contributions are excluded from the definitions of both income and gift. A contribution to a campaign is thus neither income nor a gift under the conflict-of-interest provisions of the Act. Note, however, that under Government Code Section 84308, a contribution of \$500 or more to an elected or appointed officer of an agency, or a candidate for elected office in an agency could prohibit the recipient from participating in certain governmental decisions.

36. Q. Does a lobbyist need to create a separate bank account to track compensation related to lobbying activities?

A. A lobbyist is not required to create a separate bank account to track compensation. However, lobbyists should maintain a recordkeeping system that ensures the accuracy and reliability of all information in connection with lobbying activities (e.g., receipts, bank records, invoices, contracts, correspondence, etc.) Records should be kept for a period

of five years from the date of the filer's final report for the calendar year for which activities were reported.

37. Q. Do actions taken by the California Redistricting Commission (the "CRC") constitute quasi-legislative administrative actions?
- A. Yes. Actions taken by the CRC are considered quasi-legislative administrative actions and are subject to the Act's lobbying rules. See Regulation 18202 for more information.
38. Q. A lobbying firm has been contracted by Biz Holdings LLC for lobbying services on legislation that could potentially impact how businesses are taxed. If Biz Holdings LLC's contract with the lobbying firm expressly states the agreed upon terms of all compensation and the compensation is not contingent based on the specific outcome of the legislation, would this contract violate the Act's ban against lobbying firms receiving payments contingent on the outcome of proposed legislative or administrative action?
- A. No. A contract for lobbying services does not, in itself, violate the contingency fee prohibition if it contains the expressly agreed upon terms of all compensation and does not make the compensation dependent to any degree, directly or indirectly, on a specific outcome of the legislative or administrative action. See Section 86205(f) and Regulation 18626 for more information.