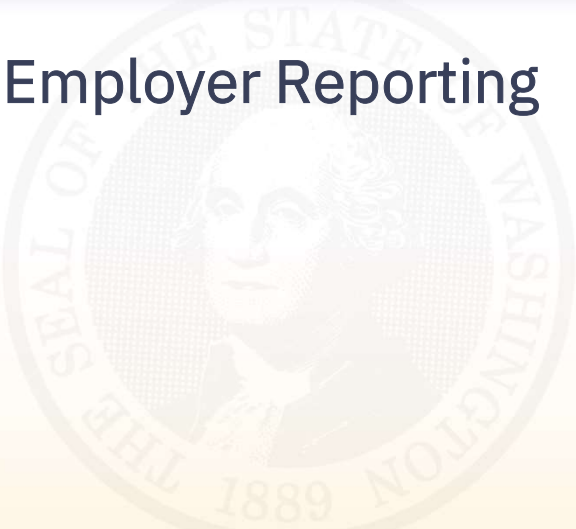


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Lobbyist and Lobbyist Employer Reporting

Presented by:
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Zoom Logistics

- Cameras & microphones
- Using the chat box
- Chat is saved
- Class not recorded



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Today's Agenda

- Overview of PDC
- Definitions
- Lobbyist and employer reporting basics
- Demonstration of reporting
- Misc. important tidbits
- How to get more information

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About the PDC

- 1972 ballot
- Initiative 276

RCW 42.17A

WAC 390

“The public’s right to know of the financing of political campaigns and lobbying and the financial affairs of elected officials and candidates far outweighs any right that these matters remain secret and private.”

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Definitions



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Lobbying

RCW 42.17A.005(34)

“...attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency...”



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Lobbying, cont.

RCW 42.17A.005(34)

Lobbying does not include “...an association’s or other organization’s act of communicating with members of that association or organization.”



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Lobbyist

RCW 42.17A.005(35)

“...any person who lobbies either on the person's own or another's behalf.”



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Lobbyist Employer

RCW 42.17A.005(36)

“...the person or persons by whom a lobbyist is employed and all persons by whom the lobbyist is compensated for acting as a lobbyist.”

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Direct Lobbying

In-person, phone, or written lobbying contact with:

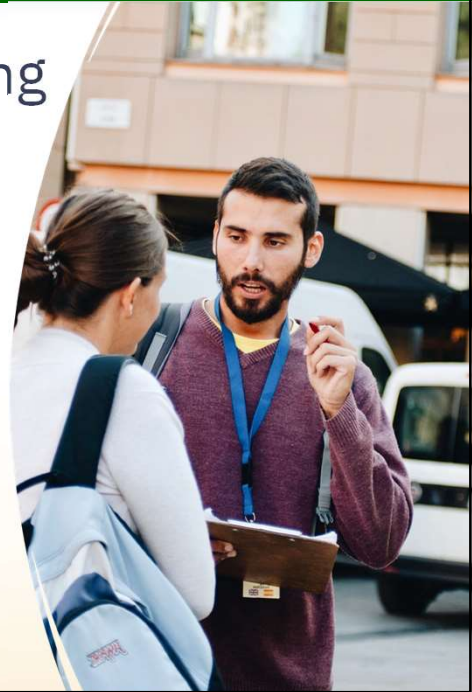
- Governor
- Governor's staff
- State legislators
- Legislative staff
- State officials and employees



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Indirect (Grassroots) Lobbying

- Addressed to general public
- Designed to influence state legislation
- Includes signature gathering
- Doesn't include communicating with own members



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Reporting Basics



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Overview of Reports

REPORT	PURPOSE
L-1	Direct lobbyist registration
L-2	Direct lobbyist monthly reporting
L-2 Memo	Reporting contributions and other items of value to recipients
L-3	Annual summary for employers of registered lobbyists
L-3c	Lobbyist employer contribution report
L-6	Grassroots lobbying report

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L-1 Direct Lobbyist Registration

- Filed within 30 days of being hired to lobby or doing lobbying, whichever is first
- Joint requirement of lobbyist and employer
- Must contain the approval of both
- Good for up to two years
- Should suspend or terminate, as appropriate

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L-2 Direct Lobbyist Monthly Report

- Monthly by 15th for prior month
- Compensation
- Expenses
- Contributions

L-2 Lobbyist Monthly Expenditure Report File Now

Purpose
Monthly report that discloses a lobbyist's compensation and other lobbying expenditures. A registered lobbyist is required to file a monthly report, regardless of whether lobbying occurred. [RCW 42.17A.615*](#)

Reports are required to be filed using the eFiling system. You may request a hardship exemption if you are unable to file electronically. Email your request to pdcc@pdc.wa.gov.

Due Date
At the end of the month, no later than the 15th of the following month.

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L-2 Reporting Guide

Refer to L-2 reporting guide for entertainment, receptions, travel, and educational expenditures.

WAC 390-20-020A



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L-2 Common Expenses Reported

- Meals and refreshments for officials and lobbyist
- Tickets to events (sporting, theater, etc.)
- Golf outings
- Home entertainment (dinners, etc.)
- Other entertainment jointly sponsored by lobbyists
- Travel expenses (including company vehicles, airfare, etc.)
- Expenses tied to education and training

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Key Point

When a lobbyist draws upon the resources of the members of an employer organization or association to provide items, benefits, and services, the lobbyist must report the value of the resources and identify the member(s) who made them available.

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L-2 Itemizing Expenses

Lobbyists itemize expenses when:

- An entertainment occasion/event cost is over \$100*
- Travel costs are paid for an official, employee, or family member
- Education fees are paid for an official, employee, or family member

*Unless officials, employees, and family members fully pay their own way

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L-2 Entertainment

For entertainment over \$100 per occasion, report:

- Event date and location
- Event description
- The sponsoring employer
- Who attended
- The total spent on each attendee



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Key Point

If, as part of an entertainment occasion, the actual or prorated cost for food and beverages for a state elected official (either singly or in conjunction with immediate family members) exceeds \$100, the official must be given notice of the entertainment.

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L-2 memo Reporting to Recipients

Provides officials the *value* of:

- Contributions
- Food/beverages over \$100 per occasion
- Travel-related expenses
- Training (seminars, etc.) benefits and costs

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L-2 Travel Expenses

For travel (lodging, meals, etc.), report:

- Event date and location
- Event description
- The sponsoring employer
- Who attended
- The total spent on each attendee



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L-2 Educational Expenses

For **educational opportunities**, permitted expenses include:

- Seminars, conferences, and other educational programs
- Education through bona fide associations or charitable organizations
- Enrollment, registration, and course fees
- Reasonable travel expenses to attend, including days prior and after

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L-2 Itemized Contributions

Lobbyists report and itemize contributions:

- That they direct or control
- If they decide who is to receive it from the employer or its committee, or
- If they can authorize payment by the employer or its committee

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L-2 Itemized Contributions

Lobbyists report and itemize contributions over \$25 given to:

- A candidate for state/local office
- A committee supporting or opposing a candidate for state/local office
- A state/local official
- A committee supporting or opposing a state/local official or employee
- A legislative caucus committee or political committee
- A political committee supporting or opposing a state/local ballot measure
- A grassroots lobbying campaign

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L-2 Contribution “Sources”

The “source” of a contribution is reported:

- As the employer, even if the lobbyist transmits or delivers it from an employer
- As “self” if it’s a personal contribution from lobbyist

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L-3 Employer Annual Summary

- Filed by last day of February for prior year
- Due even if registered lobbyist had no activity
- Summarizes lobbyist pay, expenses, and other activities

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Demonstration Time

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L-3c Employer Contribution Report


- Registered lobbyist contributions reported on their L-2
- Employers report other contributions by 15th of month for prior month
- Filed if contributions over \$250 are made to any state or local candidate or committee
- Lobbyists may relieve employer of L-3c by using L-2



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**Employer of Lobbyist Monthly
Political Contribution Report**

L-3c
1214

THIS SPACE FOR OFFICE USE

Employer's Name (Use complete company, association, union or entity name.)

Mailing Address

City State Zip

Who Must File Report: Employers of lobbyists registered in Washington State making one or more contributions, including in-kind contributions, during one calendar month totaling more than \$110 to a candidate for state or local office, an elected state or local official, an officer or employee of any public agency, or a political committee. *Employer contributions made through and reported by a registered lobbyist or an employer-affiliated PAC are not reportable on an L-3c.*

What Must Be Reported: Contributions, including a loan, gift, deposit, subscription, forgiveness of indebtedness, donation, advance, pledge, payment, or transfer of anything of value, including personal and professional services for less than full consideration. Contributions to campaign accounts and public office fund accounts are reportable.

When Is The Report Filed: Within 15 days after the last day of each calendar month during which reportable contributions were made. Reports are considered filed as of the post mark or hand-delivery date to PDC.

Itemize contributions that alone, or together with other contributions to the same recipient, total over \$110 during the calendar month specified above. If space provided is insufficient, use additional L-3c forms or 8 1/2" x 11" white paper.

Date of Contribution	Name and Address of Recipient	Description of Contribution*	Amount or Value*
			\$

Description of Contribution

Monetary Monetary contributions are those made in cash or by check, money order or other negotiable instrument. If total in amount column represents aggregate total given that recipient during the month (i.e., more than one contribution), indicate the date and amount of each contribution figured into the total.


For contributions given to incumbent candidates and elected officials, indicate whether the contribution is for the recipient's campaign account or public office account.

In-Kind Donated goods or services qualify as reportable contributions. In-kind contributions include such things as discounts on products or services, free transportation, free or reduced-rate office space, personal services, polling services, professional assistance to campaign managers and help with preparation of political advertising.

Amount or Value of Contribution

If the aggregate amount or value contributed to one recipient (candidate, elected official, agency officer or employee, or political committee) during a calendar month was over \$110 -- and the aggregate contribution was not reported by your lobbyist on his/her monthly report or the aggregate contribution was not made through and reported by your affiliated PAC -- put the total contributed in the Amount or Value column and provide the other required information.

In-Kind Value in-kind contributions at the amount you actually paid for the donated item or service or, if no purchase was made, value them at their fair market value. Fair market value is the amount a well-informed buyer or lessee, willing but not obligated to buy or lease, would pay; and what a well-informed seller, or lessor, willing but not obligated to sell or lease, would accept.



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L-6

Grassroots Lobbying Report

A sponsor reports on L-6:

- When spending exceeds \$1,500 in 1 month or \$3,000 over any 3-month period
- Initial report within 24 hours or 5 days, then monthly by 10th
- Spending by category (orders, debts, etc.)
- Itemized contributions of \$100 or more (name and address)
- See alternative disclosure methods on PDC website



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Grassroots Lobbying Update

- 2023: HB 1317 updated law
 - Provided new report deadlines
 - Required sponsor ID on public advertising
 - Clarified contribution reporting

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Important Tidbits



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Lobbyists do not report if they...

- Lobby no more than 4 days or parts of 4 days & spend no more than \$100
- Lobby without compensation and spend no money for lobbying
- Are working members of the media preparing news reports
- Limit activities to public committee sessions or state agency hearings
- Only participate in a state agency's efforts to reach consensus on potential rule-making

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Code of Conduct Training

- Legislative Code of Conduct
- Required prior to registering for new biennium
- Link to YouTube on the PDC website
- Certify completion by updating your PDC profile

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Legislative Freeze Period

RCW 42.17A.560

WAC 390-17-400

- Begins 30 days before session starts
- Ends 11:59 pm on day of adjournment
- Separate freeze period for special sessions
- No contributions during freeze period

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7 Major Restrictions

1. Lobbying without registering (unless exempt)
2. Knowingly attempting to deceive a legislator
3. Directly or indirectly introducing legislation for the purpose of being employed to defeat it
4. Knowingly representing an interest adverse to a client's without first getting written permission from the client

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7 Major Restrictions

5. Engaging in undue influence, extortion, or retaliation upon a legislator because of their position to vote
6. Entering into an agreement or understanding where compensation is contingent upon the success of influencing legislation
7. Contributing to incumbent state legislative or executive candidates during the freeze period

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Thank you!

Remaining Questions?



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