

# COMPLIANCE NOW

State &  
Federal  
COMMUNICATIONS



E-News from State and Federal Communications, Inc.

January 2011

## Reveal Your Stress Level

Have you taken the Stress Quiz in the December issue of The Washingtonian? I did not score well.

I scored higher than Norah O'Donnell, MSNBC's Washington correspondent, mother of three (one set of twins), and wife to Chef Geoff Tracy. Her stress score is 15...Mine is 25.

Everyone's issue is balance...I have issues with balance. I do not do it well and I cannot even balance myself on the Bosu ball at the gym. I literally hold onto the pole to make sure I do not fall over.

But, I keep trying. And, that is what the message is this month. Keep trying to put balance into your life. I decided two years ago (when I hit a milestone birthday) that if the President of the United States can take the time to work out, I could certainly find the time to do the same. I do not think I need to do a year of *Eat, Pray, Love* in the same way as Liz Gilbert but there are great parts of what she suggests we do. The treadmill has been opened up and ready for



use and the personal purchase this holiday was the *Wii Fit Plus* to help with my balance issues.

My 2011 planner is set with the meetings and conferences along with sufficient time set aside for our daughter's wedding. I took the time over the holiday to make sure I can also put in time for the gym, family, and friends.

If you get a chance take the Stress Quiz in last month's Washingtonian ([www.washingtonian.com](http://www.washingtonian.com)). It takes a minute to take and you will find it revealing.

Until next month, I encourage you to start this New Year breathing deep, sleeping well, and not feeling guilty if you do not sleep with the Blackberry under your pillow.

*P.S. Graham Gano, Washington Redskins kicker, has a stress score of 4. Maybe he could use a little more stress in his life.*

**Elizabeth Z. Bartz**  
President and CEO

www.stateandfed.com



## Wealth of Information at [www.lobbycomply.com](http://www.lobbycomply.com)

Want to interact with your fellow government affairs and procurement colleagues? Then jump into the State and Federal Communications, Inc. blog at [www.lobbycomply.com](http://www.lobbycomply.com).

Once there, you can join the exchange of ideas and view solutions to common challenges and problems. Also, State and Federal Communications continually adds content to the blog, including 'hot topics,' which are summaries of important news items you need to know about.

Join the conversation, and make use of this valuable information resource.



## Legislation We Are Tracking

At any given time, more than 1,000 legislative bills, which can affect how you do business as a government affairs professional, are being discussed in federal, state, and local jurisdictions. These bills are summarized in the State and Federal Communications' digital encyclopedias for lobbying laws, political contributions, and procurement

lobbying; this information is located on the client portion of the State and Federal Communications website.

Summaries of major bills are also included in monthly e-mail updates sent to all clients. The attached chart shows the number of bills we are tracking in regards to lobbying laws, political contributions, and procurement lobbying.

	Total Bills	Number of Jurisdictions	Passed	Died	Carried over to 2010
Lobbying Laws	326	42	16	179	1
Political Contributions	783	46	53	319	3
Procurement Lobbying	457	43	32	191	7

## Summary of Changes UPDATE

### Note Recent Changes to Compliance Regulations

by John Cozine, Esq.  
Research Manager



**ALABAMA:** The state's Public Services Commission approved new ethics rules last week by a 3-0 vote of the commissioners. These regulations prohibit a commission employee from soliciting or accepting a gift or campaign contribution from a lobbyist representing an industry regulated by the commission. The new rules took effect immediately upon approval by the commissioners. The Public Services Commission regulates public utilities and telecommunications providers in Alabama.

**FEDERAL:** The Federal Elections Commission issued Advisory Opinion 2010-23 denying a request allowing for political contributions to be made through cell phone texting. CTIA, a nonprofit trade association representing the wireless communications industry, proposed a program where political contributions could be made by texting five or six digit code numbers in the same manner which contributions are made for charitable donations. As proposed by CTIA, the contribution would be made at the time the phone user pays their monthly bill, which would include the charge from the text pledge. Over a 30-day period, a connection aggregator would collect contributions from all wireless service providers and then transfer the funds to the particular political committee. The commission found the time frame for contributions to be forwarded to political committees would take longer than permissible under the law, contributions would not be segregated from other corporate funds, and CTIA's safeguards to ensure the contributions were not from impermissible sources were inadequate.

**COLORADO:** The 10th Circuit Court of Appeals determined Colorado's voter-approved campaign reporting requirement for small groups promoting ballot initiatives to be unconstitutional. The case stems from a challenge by a group of homeowners who failed to register as an issue committee upon becoming a group

of two or more persons and accepting or making contributions or expenditures in excess of \$200. Six homeowners had raised and spent less than \$1,000 fighting a ballot question concerning the annexation of their subdivision, Parker North, into the town of Parker, Colorado. The decision in this case signals a split with another appellate court, causing the case to be ripe for appeal before the U.S. Supreme Court.

**LOUISIANA:** The 19th Judicial District Court of Baton Rouge has ruled the ethics board cannot enforce penalties for campaign finance violations. The court found a separate ethics adjudicatory board must conduct public hearings when the ethics board alleges the late filing of, or absence of filing, campaign reports. The ethics board had argued campaign violations requiring investigations were already referred to the ethics adjudicatory board, but cases involving the mere failure to file reports on time, or not at all, did not require any investigation, and therefore, did not require a separate hearing. The division of giving the ethics board investigatory and prosecutorial authority, while giving the ethics adjudicatory board judicial power, comes from a 2008 change in the law meant to streamline the regulatory process.

**MINNESOTA:** The Minnesota Campaign Finance and Public Disclosure Board issued Advisory Opinion 413 clarifying the state's lobbyist registration requirements. The board sought to answer whether a lobbyist is required to register multiple times when employed by an entity which consists of a parent company and a number of affiliates, including subsidiaries and joint ventures controlled by or under common ownership and control of the parent company. Several of the affiliates have legislative and administrative interests in Minnesota, and lobbying is conducted on their behalf. The board concluded that a lobbyist must register on behalf of each association whose interests they promote, regardless of the mechanism used to retain or direct the efforts of the lobbyists. The opinion continued that a lobbyist who represents an association, such as a trade or business association, is not required to register separately for each member of the association.



## 2011 is here, and it's not too late to consider your compliance obligations for the upcoming year

by John Cozine, Esq. Research Manager

All of the legislatures, even those that do not meet every year, are in session in 2011. Thus, it is important to know the registration obligations for your lobbyists in all of the jurisdictions in which they will be active. The most important pieces of information you need to know are whether they will need to register and when the registration will need to be filed. Many jurisdictions have a threshold, based on expenditures, salary, or time spent lobbying, that needs to be crossed before registration is required. Depending on your situation, you may not need to register if your lobbying activities will be minimal. Many other jurisdictions, however, have no threshold and will require registration before or within a certain amount of time of your lobbyist engaging in lobbying. This brings up an important point: it is crucial that you understand what activities comprise lobbying in the jurisdiction. A lobbyist may meet the definition of "lobbyist" before contact is even made with an official. And do not forget that once registered, you will have ongoing reporting requirements. Illinois and Georgia, in particular, will have more frequent reporting than in past years.

In the campaign finance arena, it will be a slower year because most of the statewide elections occurred in 2010. However, there are a few states, such as Virginia, with elections for state offices on the ballot. Additionally, municipalities and counties frequently hold elections in odd-numbered years, so if you plan on being

active in local campaigns, be aware of the reporting requirements in that jurisdiction. Local jurisdictions do not always follow state law or may have additional reporting requirements that the state does not. And finally, do not forget to watch for special elections in those jurisdictions in which you are interested. If you plan on being active in a special election, be aware that there are usually additional campaign finance reports associated with those elections.

A major change over the past year has been the overwhelming changes that have resulted from the aftermath of the *Citizens United* decision. If you have any intention of making independent expenditures in any jurisdiction, you need to be absolutely sure you know the current status of the law in that jurisdiction. While it is pretty clear restrictions on the ability of corporations to make independent expenditures are unconstitutional, not every jurisdiction has changed their laws to reflect that new reality and not every jurisdiction has had their existing rules challenged in court. Also, you will need to be aware of recently enacted reporting requirements for independent expenditures. Do not wait until after you make such an expenditure to find out the status of the law in that area.

Luckily, you have access to State and Federal Communications' constantly updated website, which is an invaluable tool you can use to stay abreast of this issue and more. Be sure you can say "I Comply!" in 2011.

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# ASK THE EXPERTS

## State and Federal Communications' Experts Answer Your Questions

Here is your chance to "Ask the Experts" at State and Federal Communications, Inc. You can directly submit questions for this feature, and we will select those most appropriate and answer them here. Send your questions to: [marketing@stateandfed.com](mailto:marketing@stateandfed.com). (Of course, we have always been available to answer questions from clients that are specific to your needs, and we encourage you to continue to call or e-mail us with questions about your particular company or organization. As always, we will confidentially and directly provide answers or information you need.) Our replies to your questions are not legal advice. Instead, these replies represent our analysis of laws, rules, and regulations.

### Question

*Once I complete my lobbyist registration, what other obligations do I have in my state?*

### Answer

Filing lobbyist and/or principal disclosure reports is the bare minimum requirement in many states. In addition, you may be required to obtain an ID badge. Some states require mandatory lobbyist training on a regular basis. Most often, this can be done online. To date, the states requiring this are: Alaska, California, Illinois, Louisiana, Maryland, Massachusetts, Tennessee, Utah, and West Virginia.

Many states have different gift law limitations for lobbyists. For example, in Texas lobbyists are permitted to give gifts of \$500 or less, while public servants may accept non-cash item of less than \$50 from non-lobbyists.

In addition to reporting requirements, states may require pre- or post-notification to officials when an expenditure has been made on his/her behalf which is disclosed on a lobbying report. In Illinois, a lobbyist who makes an expenditure on behalf of an official must inform him/her, in writing, at the time the expenditure.

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### See Us in Person

Plan to say hello at future events where State and Federal Communications will be attending and/or speaking regarding compliance issues.

<i>January 9-13, 2011</i>	<i>PAC Public Affairs Institute, Laguna Beach, California</i>
<i>January 13, 2011</i>	<i>WASRG Welcome Reception, Washington, D.C.</i>
<i>January 25-28, 2011</i>	<i>PAC Grassroots Conference, Key West, Florida</i>
<i>February 1-2, 2011</i>	<i>Governing Outlook in the States, Washington, D.C.</i>
<i>February 8-10, 2011</i>	<i>Innovate to Motivate, San Antonio, Texas</i>
<i>February 22-25, 2011</i>	<i>PAC PAC Conference, Miami, Florida</i>
<i>March 30-April 1, 2011</i>	<i>SGAC Annual Meeting, Austin, Texas</i>
<i>April 3-5, 2011</i>	<i>NASPO, Boston, Massachusetts</i>

## The State and Federal Communications, Inc. Scrapbook



University of Akron President Dr. Luis Proenza with Research Associate David Dobo at the Akron Chamber of Commerce Local Elected Officials Program.



Elizabeth and staff honored retiring Ohio Ethics Director David Freel at the COGEL Conference in Washington, D.C.



Akron Mayor Don Plusquellic and Summit County Executive Russ Pry with Research Associate David Dobo. Elizabeth Bartz nominated both officials for the 7th Annual Local Elected Officials Program.



Research Assistant Megan Huber with American League of Lobbyist President David Wenhold. Megan completed the requirements for the Lobbying Certificate Program.



Elizabeth with Sanibel Island City Manager [and college roommate] Judith Zimomra.



IT Director Ren Koozer with his son, Zachary, and Elizabeth's father, Jim Bartz prepare for the Cleveland Turkey Trot early Thanksgiving morning.