



E-News from State and Federal Communications, Inc.

February 2017

## It happens - every four years

The inauguration of the 45th President of the United States was held on Friday, January 20, promptly at noon as stated in the US Constitution. Regardless of your thought about the person, the event happened.

State and Federal Communications took the opportunity to bring clients, colleagues, and friends together at our Inaugural Appreciation Party. It was a great time to watch the Inauguration on any one of 20 televisions inside the Penn Quarter Sports Tavern. Thanks to Mike Brand, owner, and John Scheer, general manager, who helped transform a sports bar into a totally All-American News Pub for us to keep track of activities all throughout the day.

One group of attendees were the students from Kent State University Washington Program in National Issues studying in DC this semester. I am a big fan of the program because I was assistant director of it when I was a graduate student in 1982. These students had a great time—who wouldn't with all-you-can-eat/drink all day—but more important it was an opportunity to speak to them.

I do remember college, and I remember college at Kent State University where there are a lot of liberal students. I emphasized I was not having a celebration of our new President, but the process and no better place to be but in DC to learn about working with people on the other side of the aisle.

And, that my friends, is the point of this column. I believe it is so important to help students



understand there are “other sides” of opinions and thoughts and there are tons of “other sides” for them to learn in Washington, DC. We do not have to agree 100 percent of the time. We do not even have to be friends. We do need to be collegiate. Remember, Republican President Ronald Reagan ate dinner with Democrat Speaker of the House Tip O’Neill every Sunday.

Sigh...those were good times.

It has been a busy month. The future will be very interesting.

[Elizabeth Z. Bartz](#)  
President and CEO  
[@elizabethbartz](#)

## Summary of Changes UPDATE

### Note Recent Changes to Compliance Regulations

by Michael Beckett, Esq., Research Manager

**DENVER, COLORADO:** Denver City Council approved a bill amending the city's lobbying ordinance. Council Bill No. CB16-0920 narrows the definition of lobbying and changes registration and reporting requirements. Lobbying no longer includes appearances to give public testimony at council hearings or appearances at the request of public officials or employees. Additionally, instead of renewing a registration each year on the registrant's anniversary date, every lobbyist will be required to renew his or her registration annually by January 15. Lobbyists are also now required to file bimonthly reports. Such reports must include an itemized list and the estimated value of all gifts, entertainment, and direct or indirect expenditures to, on behalf of, or benefitting a covered official for lobbying purposes. The changes are effective immediately.

**MICHIGAN:** The Bureau of Elections adjusted lobbying reporting thresholds, fees, and penalties for the new year. These annual adjustments reflect changes in the Detroit consumer price index and are effective January 1, 2017. Updates include a \$50 increase in the expenditure threshold. Any lobbyist or lobbyist agent is required to register if expenditures exceed \$2400 during a 12-month period. Transactions of \$1200 or more between a lobbyist/lobbyist agent and a public official must be reported. The 2016 threshold was \$1175. Additionally, the permitted value of food and beverages purchased for public officials in any one month increased from \$58 to \$59.

**MONTANA:** The Commissioner of Political Practices announced the adoption of an increase to the threshold amount of payment triggering lobbyist and employer registration to \$2,550 for 2017 and 2018. The payment threshold is adjusted by an inflation factor determined by the commissioner. The previous threshold amount was \$2,500 for the calendar years 2015 and 2016.

**NEW YORK, NEW YORK:** Mayor Bill de Blasio signed campaign finance bills affecting lobbyists and contractors. Local Law 167 eliminates the matching of public funds for contributions bundled by lobbyists and people doing business with the city. Local Law 172 expands the definition of person doing business with the city to include organizations with an interest in such entity exceeding 10 percent. Local Law 181 prohibits donations in excess of \$400 in a single calendar year to organizations affiliated with an elected official by those doing business with the city.

**TEXAS:** The Ethics Commission adopted a new rule adjusting the compensation and reimbursement threshold for lobbyists. The new rule eliminates an exception not requiring a person to register as a lobbyist if he or she lobbied no more than 5 percent of his or her compensated time during a calendar quarter. Under the new rule exception, a person is not required to register as a lobbyist if the person spends not more than 40 hours during a calendar quarter engaging in lobbying activity for which the person is compensated or reimbursed. Time spent on preparatory activity is included in determining whether the 40 hour threshold has been met.

Update



## WEBSITE TIP

We have added to the website a resource chart entitled "Inaugurations Guide-Based on November 2016 Elections." The guide provides inaugural compliance information for the president-elect as well as each governor elected this past November. The chart provides the governor's name, inauguration date, and rules on tickets to events and contributions to inaugural committees. Be sure to consult the chart if you and your company intend to provide resources for these high-profile and often scrutinized events. Copies of the inaugural addresses will be added soon.

## 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 State and Federal Communications' digital encyclopedias for lobbying laws, political contributions, and procurement lobbying and can be found in the client portion of our website.

Summaries of major bills are also included in monthly email updates sent to all clients. The chart below shows the number of bills we are tracking in regard to lobbying laws, political contributions, and procurement lobbying.

	Total bills	Number of Jurisdictions	Passed	Died	Carried over to 2016
Lobbying Laws	70	15	0	0	29
Political Contributions	92	18	0	0	42
Procurement Lobbying	81	12	0	0	42

# Missouri Changes to Gift Laws Continue

by **Michael Beckett, Esq.**,  
Research Manager

You  
Should Know

Following multiple legal challenges to Missouri's recently passed campaign contribution limits (Constitutional Amendment 2), elected officials are addressing the state's relatively lax gift laws as part of an ongoing effort to reform state ethics laws.

Almost immediately upon being sworn in, Missouri Gov. Eric Greitens issued an executive order banning lobbyist gifts to executive branch employees. The order also established a revolving door provision prohibiting gubernatorial staff from lobbying his office after leaving their positions.

Republican Attorney General Josh Hawley implemented a new ethics policy on Tuesday, January 10. Hawley's employees are now prohibited from accepting gifts from lobbyists. The policy also prohibits staff from discussing business of the Attorney General's Office with anyone attempting to lobby on behalf of a client, unless such person is a registered lobbyist. This includes licensed attorneys who fall within the scope of state lobbying law. Hawley's policy also establishes a pay-to-play provision prohibiting

campaign contributions from those who have applied for or who have pending state contracts if the Attorney General's Office has decision-making authority over the contract.

At the Capitol, Republican lawmakers held a meeting to endorse a plan to expand Greitens' executive order by banning most lobbyist gifts to legislators. House Bill 60 was fast-tracked, approved in committee with just three dissenting votes, and passed the House with bipartisan support. The bill would prohibit legislators from receiving most gifts from lobbyists. Exemptions to the proposed ban would include honorary plaques, flowers, and gifts customarily received by someone before they became a legislator. The bill prohibits lobbyists and lobbyist principals from making expenditures for state public officials or for their staff, spouses, or dependent children. An exception would remain for event expenditures if all members of the Legislature or all statewide officials are invited in writing. The bill now moves to the Senate for consideration. Additional ethics bills are expected on the 2017 legislative agenda.



## See Us in Person

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

### Events

- |                               |  |
|-------------------------------|--|
| <b>Jan 30 - Feb 2, 2017</b>   | <b>PAC The Advocacy Conference</b><br>Key West, Florida  |
| <b>February 1 - 2, 2017</b>   | <b>GOVERNING Outlook 2017 State &amp; Local Market Forecast,</b><br>Washington, DC                           |
| <b>February 7, 2017</b>       | <b>#NewWomenMembers Event,</b><br>Washington, DC   |
| <b>February 9, 2017</b>       | <b>Montgomery County Council - African Affairs Advisory</b><br><b>Group Meeting,</b> Silver Spring, Maryland |
| <b>February 24 - 27, 2017</b> | <b>National Governors Association Winter Meeting,</b><br>Washington, DC                                      |
| <b>February 24, 2017</b>      | <b>WGR Governors Reception,</b><br>Washington, DC  |
| <b>February 28, 2017</b>      | <b>WGR Toastmasters,</b><br>Washington, DC   |

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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. Send your questions to [experts@stateandfed.com](mailto:experts@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 email us with questions about your particular company or organization. As always, we will confidentially and directly provide answers or information you need.) Our replies are not legal advice, just our analysis of laws, rules, and regulations.

Q

***Now that I've established my priority states for 2017, what else do I need to consider?***

A

The most fundamental question before engaging in advocacy in a particular jurisdiction is whether you, the company, or your contract lobbyists will need to register. In “first toe in the water” states registration is required regardless of your level of activity. Some of the first toe states take it a step further and require your registration to be complete before you contact anyone. It's a best practice to register in those states immediately, as it's not always possible to complete the process same day. Other states have a time or expenditure threshold that must be met before the requirement to register is triggered. Note that in some states grassroots activities and “goodwill” lobbying are included in the definition of lobbying and therefore must be considered when determining your need to register. Many states require some level of coordination between the lobbyist and employer to complete the registration, so make sure the lobbyist registrations have been authorized as needed.



If you have registered, make sure you know your reporting requirements. Two states, Illinois and Georgia, are going to have reports due almost immediately as they have twice-monthly reporting. Other states are going to have a monthly report due early in the following month. Don't get caught by surprise! Review what is reported in the state so you can collect it as you lobby. Some states, such as Massachusetts, require a level of detail in your reporting that may surprise you. It will be much easier to keep track of that information as you go than to try and reproduce it as the reporting date looms.

If you are planning on making contributions in 2017 you need to be aware of the timing issues involved. Some states ban contributions while the legislature is in session and some have further restrictions which, in the case of lobbyists and their principals, result in a very narrow window in which contributions can be made. So be sure to have your ducks in a row so you do not miss out on your opportunity to be involved! Also, if you plan on making contributions in a particular state in which you do not have a registered PAC, know the rules. If you are not able to make direct corporate contributions, or lobbyists are restricted in their ability to contribute, you will need to determine if you may use your out-of-state or federal PAC to contribute. Regardless of the source of the funds, know your reporting obligations – they vary by state depending on the source. Also, watch out for states requiring 24- or 48-hour reporting of contributions made close to the election. You will need to coordinate the delivery of the check closely with your colleagues to ensure you file the report within the permitted window.

***John Cozine, Esq., Compliance Manager***

# Scrapbook

## State and Federal Communications, Inc. *Scrapbook*



Over the holidays, Elizabeth hosted a “super girls night out”, SGNO, at the Girves Brown Derby in Medina, OH. Part of the group included the seven women pictured above who were once company interns at State and Federal Communications.  
[Alexa Livadas, Cristina Dickos, Joanna Kamvouris, Allie Vernis, Elizabeth, Alessandra Dickos, Elizabeth Scozzaro, and Elaina Laikos.] All of them are super achievers. #internlove



Included at the SGNO were Howland High School grad and the first Elizabeth Z. Bartz scholarship winner, Kayleigh Crumb, and Dr. I. Renee Axiotis, Howland Class of 1982.



Elizabeth Bartz talking with the Kent State University student's participating in the Washington Program on National Issues.

# Scrapbook



The State and Federal Communications, Inc. holiday party was held at Glenmoor in N. Canton. Once again, after dinner and great conversation, each employee received a delicious Temo's of Akron chocolate tree to enjoy.

**Do your advocacy efforts trigger lobbyist compliance requirements?**  
**We know!**

**LET US HELP YOU!**

Check out our website:  
[www.stateandfed.com](http://www.stateandfed.com)

Contact us by email at [marketing@stateandfed.com](mailto:marketing@stateandfed.com) or call us at 330-761-9960.

Many jurisdictions require registration and/or reporting for grassroots and advocacy activities. If you are involved in grassroots efforts, you need

**Lobbying Compliance Laws for Government Relations Professionals.™**

This is one of our four online publications that will help you stay compliant.

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