

State & Federal COMMUNICATIONS

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COMPLIANCE NOW

E-News from State and Federal Communications, Inc.
March 2018

We Have Done the Research

When we ended our three-ring, three volume publication—about 10 years ago—we had paper everywhere and Kinko's was our best friend. Trust me, the Kinko's in Fairlawn, Ohio had to have been the highest ranked store in the country with the amount of work we sent to the 24/7 shop.



Now, everything is on our website, www.stateandfed.com, and though we have far less paper and FedEx (formerly Kinko's) is still in business but not really printing our updates; we have info...a lot of it.

I met with Research Manager Michael Beckett—as I do every year—to review what we included on our website and what is planned for the next year. Here is a brief list of items included to improve your ability to search for information.

1. Added question regarding gifts from lobbyist employers in both our Executive Source Guide on Lobbying and Procurement Lobbying;
 2. Clarified whether federal PACs can contribute to state and local candidates in our Executive Source Guide on Political Contributions;
 3. You will see additional information regarding a corporate PAC using payroll deductions to collect contributions;
 4. We are now capturing social media regulations in the Grassroots section of both our Executive Source Guide on Lobbying and Procurement Lobbying; and
 5. You will see we make sure we have indicated when the date the page was last modified.
- And, there is more. The Research Department also:
1. Prepared the 2018 Guidebook so you were able to have it at the beginning of the year;
 2. Prepared our Tip Sheet Ethics Implications for Expenditures at National Conferences and a second Tip Sheet on Grassroots Lobbying;
 3. Published 549 blog posts for lobbycomply.com;
 4. Transitioned to a new web-based database;
 5. Prepared a guide on Inauguration activities in the states after the November 2017 elections;
 6. Added the following new municipalities to the website: Bronx County, New York; Will County, Illinois; Laredo, Texas; Columbia Missouri; Dorchester County, Maryland; Irvine, California; and Coral Gables, Florida; and
 7. Created from a blank piece of paper, the inaugural countries to European Compliance—Republic of Ireland; European Union; and United Kingdom.

What will they do in 2018? Stay tuned for the April edition of Compliance Now.

In the meantime, let us know if you need assistance driving around our website. We would be happy to give you a tour.

[Elizabeth Z. Bartz](mailto:elizabeth@stateandfed.com)
President and CEO, @elizabethbartz

Summary of Changes UPDATE -- Note Recent Changes to Compliance Regulations

by Michael Beckett, Esq., Research Manager

Update

BALTIMORE COUNTY, MARYLAND:

Exec. Kevin Kamenetz signed Bill No. 35-17 into law. The bill requires registered lobbyists to complete ethics training within the first six months of registration and once a year thereafter. The remaining training date for 2018 is on June 4 at 9:30 a.m.



FEDERAL: The Federal Election Commission (FEC) published the price index adjustments for expenditure limitations and the federal lobbyist bundling disclosure threshold. The lobbyist bundling disclosure threshold has increased for 2018 from \$17,900 to \$18,200. This threshold amount is adjusted annually. Federal law requires authorized committees of federal candidates, leadership PACs, and political party committees to disclose contributions bundled by lobbyists and lobbyists' PACs. Additionally, the FEC published its adjusted Coordinated Party Expenditure Limits for political parties for 2018.

NEW JERSEY: Gov. Phil Murphy signed Executive Order 2, which places limits on gifts and defines personal relationships for the governor of the Garden State. This order requires the governor to disclose gifts received from anyone he has met in the past three years before being inaugurated. Any relationship established before then is considered pre-existing and is exempt from the

order. Generally, the governor may not solicit, receive, or agree to receive, directly or indirectly, any gift intended to influence him or her in the conduct of his or her public duties.

NEW YORK: The New York Joint Commission on Public Ethics (JCOPE) submitted a Notice of Revised Rulemaking for Part 943, commonly referred to as Comprehensive Lobbying Regulations, to the New York Department of State. The revised rules include an online ethics training requirement for lobbyists. Additionally, the revised rules provide further clarification regarding reportable expenses attributable to social media activities and grassroots lobbying. New York's rule making process requires an additional comment period once a Notice of Revised Rulemaking is filed and published the New York State Register. The new comment period expires on March 16.

OKLAHOMA: The Oklahoma Ethics Commission recently submitted its 2018 Promulgated Ethics Rules to the governor and both houses of the Legislature. Proposed changes include, but are not limited to, a revolving door provision prohibiting elected state officers and chief administrative officers from lobbying for two years following their terms of office or service, new rules regarding the due dates of electronic filings, and revised reporting periods for candidate election reports and independent expenditure reports. If the Legislature chooses not to reject the proposed rule changes, all amendments will be effective upon adjournment sine die of the 2018 regular legislative session.

We are providing a series of three newsletter articles presenting a region that is covered in our newest online publication 'I COMPLY European Political Compliance Laws.' This second article features the United Kingdom.

Lobbying in the United Kingdom

George Titoras, Esq.,
Research Associate

In 2014, the United Kingdom (UK) passed a lobbying law creating the Office of the Registrar of Consultant Lobbyists to administer the registration of lobbyists. The law became effective in 2015.

Registering as a lobbyist in the UK is required when seeking to lobby ministers and permanent secretaries on behalf of a third party. However, registration is not required for legislative lobbying of the UK Parliament. Exceptions to registration include lobbying conducted without payment or lobbying on the behalf of a charity, if the charity does not receive payment for making communications from the person upon whose behalf they are made. Registration and reporting as a lobbyist requires a fee, currently £1,000 for 2018. The

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amount paid is calculated based on the number of days left in the calendar year.

Lobbyists are required to file quarterly reports, due on the 14th of January, April, July, and October. Reports must include the name of the clients on whose behalf oral or written communications were made personally to a minister or permanent secretary relating to the actual or proposed development, adoption, or modification of any legislation, policy, financial arrangement, or exercise of any function of government. Expenditures and compensation are not reported by registrants. Lobbying on a contingency basis is permissible. There is a fee of £12.50 per quarterly return.

Pennsylvania Passes New Lobbying Legislation

Kevin Newman, Esq.,
Research Associate

You
Should Know

Gov. Tom Wolf signed new legislation amending filing requirements and penalties for lobbyists, principals, and lobbying firms. House Bill 1175 (Act 2 of the 2018 legislative session) seeks to add transparency and efficiency to the registration and reporting process by requiring the use of the commonwealth's online system. Effective April 15, 2018, all lobbyist registrations, amendments, terminations, and reports must be completed electronically. According to a press release from the governor's office, approximately 20 percent of lobbying reports are still filed by paper.

The bill also increases fines the Ethics Commission can impose for failure to timely register or report and for other unlawful conduct. A flat penalty of \$50 per day for negligently failing to register or file a report is replaced with a graduated structure of \$50 per day for the first 10 days, \$100 per day for days 11 through 20, and \$200 per day for each day thereafter. Additionally, the maximum penalty for certain unlawful acts, as enumerated in the statute, is increased from \$2,000 to \$4,000. These increases are effective immediately.

Despite broad support, House Bill 1175 took nearly a year to make it through the legislative process. Introduced in April 2017, the House passed its version unanimously in July, but was not considered in the Senate until November. The Senate also unanimously passed its version in December. The governor approved the bill on February 14, 2018.



[The details for this article have been updated on our website in the Registration, Reports Required, and Penalties and Remedies sections of the Lobbying Compliance Laws and Procurement Lobbying Compliance Laws for Pennsylvania.]

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' online Compliance Laws for Government Relations Professionals. They can be found on a jurisdiction's home page.

Summaries of major bills are also included in the monthly Summary of Changes email update 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 2018
Lobbying Laws	292	41	2	8	133
Political Contributions	502	45	0	17	220
Procurement Lobbying	404	43	1	13	173

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. (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

I am aware of new restrictions concerning lobbyist reporting in Pennsylvania. What do I need to know to be compliant?

A

Governor Tom Wolf signed House Bill 1175 into law on February 14, 2018. The legislation passed unanimously in the House and Senate and is intended to strengthen restrictions on lobbyists and improve efficiency. New requirements on electronic filing take effect in 60 days to coincide with the submission of the first quarter report due by April 30, 2018. All lobbyists, lobbying firms, and principals will be required to file their lobbying disclosure reports electronically. This is to help the Department of State process filed reports faster.

New penalties on reporting violations are currently in effect. The per day penalty for not filing a report by the filing deadline has increased to:

- \$50 per day for the first 10 late days;
- \$100 per day from late day 11 to 20; and
- \$200 per late day after 20 days.

The maximum penalty for not filing a report by the filing deadline has doubled from \$2,000 to \$4,000.

There are important changes you need to be aware of if you give personal political contributions and are registered as a lobbyist political committee. Effective with the 2018 Election Cycle, the Department of State will begin assessing late fees for reports filed online that are not complete with a notarized cover page. You have 10 days from when you file electronically to submit your notarized cover page and avoid a late fee. Reminder notices will be sent by e-mail, so make sure this information is current.

The information from this response can easily be found on our website in the Pennsylvania entry of the Lobbying Compliance Laws publication. Please do not hesitate to contact us if you have questions.

James Warner, Esq., Sr. Compliance Associate





WEBSITE TIP

Every month subscribers to the State and Federal Communications website receive the Summary of Changes, which is a list of all the changes and additions made to the website in the course of the prior month. In all publications, a year's worth of Summary of Changes can be accessed by clicking on the "Summary of Changes" link on the left-hand side of the entry's website page. Below the link is a convenient chart entitled "Year End Summary" to provide a review of the highlights and major changes of 2017.

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

March 1, 2018	NCSL Executive Director Luncheon, Washington, DC
March 4-8, 2018	National PAC Conference, Miami, FL
March 6, 2018	Women's Endowment Fund, Akron, OH
March 6, 2018	Akron Press Club, Akron, OH
March 7, 2018	Ohio Birthday Party, Washington, DC
March 13, 2018	PLEN Mentor Awards, Washington, DC
March 15, 2018	WGR Leadership Program - Cohort 7 Reunion Lunch, Washington, DC
March 15, 2018	Akron Roundtable, Akron, OH
March 18-20, 2018	NASPO Exchange, New York City, NY
March 19, 2018	Akron Press Club, Akron, OH
March 20, 2018	LGBT Bar recognition of Denise Keane, Washington, DC
March 22, 2018	NCSL and SGAC Luncheon, Washington, DC
March 22, 2018	Greater Akron Chamber's Annual Meeting, Akron, OH
March 28, 2018	Akron Urban League: It's Time to Talk: Forum on Race Luncheon, Akron, OH
April 9, 2018	Akron Press Club, Akron, OH
April 11-13, 2018	SGAC National Summit, Salt Lake City, UT

Scrapbook

State and Federal Communications, Inc. Scrapbook

March 2018



Elizabeth Z Bartz, President and CEO of State and Federal Communications, Inc. is a proud Kent State Golden Flash. She is always running into Kent Alumni. This time it was at The Advocacy Group Conference in Orlando, FL.



Elizabeth at the National Governors Association Conference with colleagues - Katrina Iserman, Sunovion Pharmaceuticals and Fred Zeytoonjian, Apple, Inc.



Elizabeth with Mark Holman, Ridge Policy Group, at the National Governors Association Conference.



Former State and Federal Communications Intern and Kent State University Student, Sophia Avouris, met up with Elizabeth Bartz at a Hellenic American Women's Council event in DC.



Elizabeth with John P. Chames as we celebrated Renold Koozer's 20th Company Anniversary. [above]
The entire State and Federal Communications, Inc. staff at the luncheon honoring Ren. [below]

