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Lobbyists' Disclosure and Registration

By Nicole Casal Moore and Peggy Kerns

Lobbying is an integral part of the legislative institution.

The word "lobby"—the attempt to influence government decisions—has been around since the 16th century. Today, lobbying is an integral part of the legislative institution. Lobbying can take all forms: It can be as informal as citizens talking to their legislators about an issue or as formal as a group hiring someone to promote its position at the statehouse. Despite the sometimes negative connotation of "special interests," when practiced with integrity, lobbying is an honorable endeavor. But because its goal is to influence public policy—and often money is spent to do this—lawmakers regulate the practice.

More money is being spent on lobbying in state capitols than ever before.

Lobbyists realize that many decisions affecting the daily lives of Americans are made in state legislatures. This is evidenced by increased money being spent on lobbying in state capitols. In 2004, the Center for Public Integrity reports that lobbyists spent \$889 million in the 41 states that compile total spending. In 2003, 40 states reported \$720 million.

States require lobbyists and their employers to disclose their expenditures.

States require lobbyists and their employers (also known as "principals") to disclose their expenditures, among other information about their activities. Most states ask for detailed lists of how much lobbyists spend, what they spend it on and who benefits. Registration forms and activity reports also require lobbyists or their employers to list what subjects interest them, and often the designated numbers of bills or regulations they'll be trying to influence.

Forty-nine states require lobbyists to register.

State Action

Forty-nine states require lobbyists to register and file periodic activity reports. Pennsylvania does not have these provisions in statute because state courts declared the laws unconstitutional in 2002. Several bills for new lobbying laws have been introduced. The state Senate has rules requiring lobbyist registration and reporting.

Expenditures. Forty-nine states require lobbyists or principals to report certain information about their expenditures. Often, they are required to itemize and categorize them. Common categories include gifts, meals and beverages, and transportation. While some states require all expenses to be noted, others set a threshold (for example, \$100) below which expenses or certain categories of expenses don't have to be reported. Eighteen states—Arkansas, Florida, Idaho, Kansas, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, New Jersey, Oregon, Rhode Island, Texas, Washington, West Virginia and Wisconsin—specifically require that information about the costs of advertising, public relations or other grassroots efforts be reported. Ten states—Alabama, California, Colorado, Iowa, Massachusetts, New Mexico, North Carolina, Tennessee, Washington and West Virginia—specifically require lobbyists to list information about campaign contributions. Most states don't require office-related expenses to be

reported, but Maryland, Mississippi, Montana, South Carolina, Virginia and Wisconsin do. Florida, Maine, Maryland, Oregon and Wisconsin specifically require disclosure of the costs of research conducted for lobbying purposes.

Financial Connections to Public Officials. Alabama, Alaska, Arkansas, Florida, Indiana, Maryland, Nevada, Oregon, South Carolina, Tennessee, Utah and Washington require lobbyists or principals to disclose business associations they have with public officials on either activity reports or registration forms. Indiana, for example, asks legislators who receive at least 33 percent of their non-legislative income from lobbyists to file affidavits with lobbyists and principals. Utah wants to know the names of public officials who are employed by or performed services as an independent contractor for the lobbyist or principal filing the report. In Alaska, lobbyists must report the names and addresses of entities with which they do more than \$100 of business, if a public official holds certain positions in the entity.

Georgia doesn't require lobbyists to list employment connections to legislators, but mandates the release of names of members of the immediate family of a public officer employed by, or whose professional services are paid by, the lobbyist during the reporting period. Eight states have a related requirement specifically asking lobbyists or principals to report certain financial transactions with or for the benefit of legislators or other public officials.

Alabama, Alaska, Arkansas, Kentucky, Michigan, Mississippi, Nebraska and Ohio specifically ask lobbyists or principals to report certain financial transactions with or for the benefit of legislators or other public officials.

Lobbyist Income. Alaska, California, Colorado, Connecticut, Indiana, Kansas, Kentucky, Massachusetts, Maine, Maryland, Minnesota, Mississippi, Montana, Nebraska, New Jersey, New York, North Carolina, Rhode Island, South Carolina, Texas, Vermont, Virginia, Wisconsin and Wyoming require lobbyists and/or principals to list the sources, and often the amounts, of lobbyist compensation. And activity reports or registration forms call for the sources and often the amounts of contributors to the principal who give above a certain threshold in several states including California, Colorado, Hawaii, Maine, Maryland, Massachusetts, Minnesota, Montana, South Carolina, Texas, Washington and Wyoming. In South Carolina, it's 20 percent of the principal's income. In Maryland, regulated lobbyists who aren't individuals, but groups, must list those who supply at least 5 percent of their gross receipts.

Subjects of Lobbying. Thirty-nine states require lobbyists or principals to list on either registration forms or activity reports the subject matters on which they lobby. Fifteen of these states demand more specific information, most often the bill or regulation number the lobbyist seeks to influence.

Selected References

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Twelve states require lobbyists to disclose business associations they have with public officials.

Twenty-four states require lobbyists and/or principals to list the sources, and often the amounts, of lobbyist compensation.