

**Guidelines for
LOBBYISTS/PRINCIPALS
for compliance under Alabama Ethics Law**

The purpose of this brochure is to inform lobbyists and their principals as to the guidelines and prohibitions contained in the Alabama Ethics law which became effective on October 1, 1995.

It should be pointed out that this is intended merely as an overview. If further information is needed, please contact the Alabama Ethics Commission at: Post Office Box 302300, Montgomery, Alabama 36130-2300, (334) 242-2997.

DEFINITIONS

Section 36-25-1(17) defines lobbying as:

"The practice of promoting, opposing, or in any manner influencing or attempting to influence the introduction, defeat, or enactment of legislation before any legislative body; opposing or in any manner influencing the executive approval, veto, or amendment of legislation; or the practice of promoting, opposing, or in any manner influencing or attempting to influence the enactment, promulgation, modification, or deletion of regulations before any regulatory body; provided, however, that providing public testimony before a legislative body or regulatory body or any committee thereof shall not be deemed lobbying."

Section 36-25-1(18) defines lobbyist as:

" 1. A person who receives compensation or reimbursement from another person, group, or entity to lobby.

"2. A person who lobbies as a regular and usual part of employment, whether or not any compensation in addition to regular salary and benefits is received.

"3. A person who expends in excess of one hundred dollars (\$100) for a thing of value, not including funds expended for travel, subsistence expenses, and literature, buttons, stickers, publications, or other acts of free speech, during a calendar year to lobby.

"4. A consultant to the state, county, or municipal levels of government or their instrumentalities, in any manner employed to influence legislation or regulation, regardless whether the consultant is paid in whole or part from state, county, municipal, or private funds.

"5. An employee, a paid consultant, or a member of the staff of a lobbyist, whether or not he or she is paid, who regularly communicates with members of a legislative body regarding pending legislation and other matters while the legislative body is in session."

Section 36-25-1(21) defines a principal as:

"A person or business which employs, hires, or otherwise retains a lobbyist. Nothing in this chapter shall be deemed to prohibit a principal from simultaneously serving as his or her own lobbyist."

Section 36-25-18 requires that every lobbyist register with the Commission no later than January 31 of each year or within ten days after the first undertaking requiring such registration. Each lobbyist (except public employees who are lobbyists) shall pay an annual fee of one hundred dollars (\$100) on or before

January 31 or within ten days after undertaking lobbying activities. The section states "(a) Every lobbyist shall register by filing a form prescribed by the commission no later than January 31 of each year or within 10 days after the first undertaking requiring such registration. Each lobbyist, except public employees who are lobbyists, shall pay an annual fee of one hundred dollars (\$100) on or before January 31 of each year or within 10 days of the first undertaking requiring such registration.

"(b) The registration shall be in writing and shall contain the following information:

"(1) The registrant's full name and business address.

"(2) The registrant's normal business and address.

"(3) The full name and address of the registrant's principal or principals.

"(4) The listing of the categories of subject matters on which the registrant is to communicate directly with a member of the legislative body to influence legislation or legislative action.

"(5) If a registrant's activity is done on behalf of the members of a group other than a corporation, a categorical disclosure of the number of persons of the group as follows:
1-5; 6-10; 11-25; over 25.

"(6) A statement signed by each principal that he or she has read the registration, knows its contents and has authorized the registrant to be a lobbyist in his or her behalf as specified therein, and that no compensation will be paid to the registrant contingent upon passage or defeat of any legislative measure.

"(c) A registrant shall file a supplemental registration indicating any substantial change or changes in the information contained in the prior registration within 10 days after the date of the change."

Section 36-25-19 further requires lobbyists and principals employing lobbyists to file reports with the Commission quarterly on January 31, April 30, July 31, and October 31 of each calendar year. The law requires:

"(a) Every person registered as a lobbyist pursuant to section 36-25-18 and every principal employing any lobbyist shall file with the commission a report provided by the commission pertaining to the activities set out in that section. The report shall be filed with the commission no later than January 31, April 30, July 31, and October 31 for each preceding calendar quarter, and contain, but not be limited to, the following information:

"(1) The cost of those items excluded from the definition of a thing of value which are described in Section 36-25-1(30)b. And which are expended within a 24-hour period on a public official, public employee, and members of his or her respective household in excess of two hundred fifty dollars (\$250) with the name or names of the recipient or recipients and the date of the expenditure.

"(2) The nature and date of any financial transaction between the public official, candidate, or member of the household of such public official or candidate and the lobbyist or principal of a value in excess of five hundred dollars (\$500) in the prior quarter, excluding those financial transactions which are required to be reported by candidates under the Fair Campaign Practices Act as provided in Chapter 22A (commencing with Section 17-22A-1) of Title 17.

"(3) A detailed statement showing the exact amount of any loan given or promised to a public official, candidate, public official or candidate.

"(4) A detailed statement showing any direct business association or partnership with any public official, candidate, or members of the household of such public official, candidate, or members of the household of such public official or candidate; provided, however, that campaign expenditures shall not be deemed a business association or partnership.

"(b) Any person not otherwise deemed a lobbyist pursuant to this chapter who negotiates or attempts to negotiate a contract, sells or attempts to sell goods or services, engages or attempts to engage in a financial transaction with a public official or public employee in their official capacity and who within a calendar day expends in excess of two hundred fifty dollars (\$250) on such public employee, public official, and his or her respective household shall file a detailed quarterly report of the expenditure with the commission.

"(c) Any other provision of this chapter to the contrary notwithstanding, no organization whose officer or employee serves as a public official under this chapter shall be required to report expenditures or reimbursement paid to such officer or employee in the performance of the duties with the organization."

Section 36-25-20 requires a lobbyist to notify the Ethics Commission when his lobbying activity ceases. Section 36-25-20 states:

"(a) A person who ceases to engage in activities requiring registration pursuant to Section 36-25-18 shall file a written, verified statement with the commission acknowledging the termination of activities. The notice shall be effective immediately.

"(b) A person who files a notice of termination pursuant to this section shall file the reports required pursuant to Sections 36-25-18 and 36-25-19 for any reporting period during which he or she was registered pursuant to this chapter.

In the past, former members of the Alabama House and Senate were extended floor privileges for lobbying purposes. Under the new law this has changed.

Section 36-25-23 states:

"(a) No former member of the House of Representatives or the Senate of the State of Alabama shall be extended floor privileges of either body in a lobbying capacity."

Section 36-25-23(b) states:

"No public official, public employee, or group of public officials or public employees shall solicit any lobbyist to give any thing whether or not the thing solicited is a thing of value to any person or entity for any purpose other than a campaign contribution."

Section 36-25-23(c) states:

"No principal or lobbyist shall accept compensation for, or enter into a contract to provide lobbying services which is contingent upon the passage or defeat of any legislative action."

Effective June 19, 1996, Section 36-25-13 went into effect.

Section 36-25-13 states:

"(a) No public official shall serve for a fee as a lobbyist or otherwise represent clients, including his or her employer before the board, agency, commission, department, or legislative body, of which he or she is a former member for a period of two years after he or she leaves such membership. For the purposes of

this subsection, such prohibition shall not include a former member of the Alabama judiciary who as an attorney represents a client in a legal, non-lobbying capacity."

"(b) No public employee shall serve for a fee as a lobbyist or otherwise represent clients, including his or her employer before the board, agency, commission, or department, of which he or she is a former employee for a period of two years after he or she leaves such employment. For the purposes of this subsection, such prohibition shall not include a former employee of the Alabama judiciary who as an attorney represents a client in a legal, non-lobbying capacity."

Until the effective date of June 19, 1996, Section 36-25-13, under the old Ethics law remained in effect. It states as follows:

"(a) No former state official or employee shall serve for a fee as a lobbyist or represent clients before the body of which he is a former member or employee for a period of three years after he leaves such membership or employment, unless notice of such representation is given within five days after such appearance to the Alabama Ethics Commission in the manner prescribed by the Commission.

PENALTIES FOR VIOLATION

Violations of the Ethics law which are considered to be Class A Misdemeanors are punishable by up to one year in prison and/or a two thousand dollar (\$2,000) fine.

Likewise, violations that are considered to be Class B Felonies are punishable by two to twenty years in prison and up to a ten thousand dollar (\$10,000) fine.

Section 36-25-26 states:

"No person, for the purpose of influencing legislation, may do either of the following:

"(1) Knowingly or willfully make any false statement or misrepresentation of the facts to a member of the legislative or executive branch.

"(2) Knowing a document to contain a false statement, cause a copy of the document to be received by a member of the legislative or executive branch without notifying the member in writing of the truth."

Section 36-25-27(a)(3) states:

"Any person subject to this chapter who knowingly violates any disclosure requirement of this chapter shall, upon conviction, be guilty of a Class A misdemeanor."

CONCLUSION

As previously stated, these guidelines are intended to serve merely as an overview, if you have questions that were not answered, or areas that were not addressed by these guidelines, please contact the Alabama Ethics Commission at: Post Office Box 302300, Montgomery, Alabama 36130-2300, (334) 242-2997.