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and

Ward & Lawless LLC Present



**Lobbying
Disclosure:**
A Practical
Approach
to the New LD-2

Thursday, April 3, 2008

2:00 p.m. - 3:00 p.m. EDT

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Effects of HLOGA

- **Heightened** attention to lobbying activity
- **More disclosure**, more detail
- **Direct connection** between campaign contributions and lobbyist reporting
- **Increased penalties**

Increased Penalties Under HLOGA

- LDA disclosure violations = \$200,000
- Criminal penalties = up to 5 years in prison
- 60 day cure provision for reporting violations remains

HLOGA Changes: What's New with the LD-2?

- Quarterly reporting
- Mandatory electronic filing
- New details
- Reduced Income / Expense thresholds

HLOGA LD-2 Changes: Quarterly Reporting

- **Quarterly** filing rather than semiannual
 - Due **20 days** after close of reporting period (previously 45 days)
 - Filing dates are on the 20th unless it falls on a weekend or holiday, in which case it is the next business day:

Jan 1 – Mar 31

Due: April 21, 2008

Apr 1 – Jun 30

Due: July 21, 2008

Jul 1 – Sep 30

Due: Oct 20, 2008

Oct 1 – Dec 31

Due: Jan 20, 2009

HLOGA LD-2 Changes: Mandatory Electronic Filing

- Senate electronic filing password **Required**
- Don't wait to get one -- request deadline two business days prior to report due date
- Same filing software (downloaded from House or Senate website) to create or view report
- Single filing location for House and Senate
- Immediate on-screen confirmation of receipt

HLOGA LD-2 Changes: New Details

- Whether client is state or local government or instrumentality (Line 7, check box)
- **Reduced** Income/Expense thresholds (Lines 12 & 13)
 - Amounts in excess of \$5,000 now rounded to nearest \$10,000
- Disclosure of previous government service (Line 18) extended to 20 years
 - Applies to registrations with effective date of Jan 1, 2008 or later
- Coalitions / Associations disclosure expanded

What is Lobbying under LDA?

- “Lobbying contacts and efforts in support of such contacts”
- Contact = discussion of specific legislation and general issues
- Includes preparation
 - Strategic planning with other industry members – even if no covered officials involved
 - Research

What is NOT Lobbying Under LDA?

- Public relations work/media contacts
- Grassroots communications to members or affiliates
- Administering a PAC
- State and local level lobbying
- Scheduling meetings
- Requesting status of a decision (unless in connection with additional action or communication)

Covered Officials Under the LDA

- Congressional Members and staff
- Executive branch officials
 - President
 - Vice President
 - Executive Office of President
 - Executive level I-V
 - Deputy assistant secretary or higher
 - Schedule C appointments

Lobbying Disclosure Act vs Internal Revenue Code

- Reporting Method
- Must be consistent
- Issue advocacy v. partisan political activities

13. Organizations

EXPENSE relating to lobbying activities for this reporting period were:

Less than \$5,000

\$5,000 or more \$ _____

14. REPORTING Check box to indicate expense accounting method. See instructions for description of options.

Method A. Reporting amounts using LDA definitions only

Method B. Reporting amounts under section 6033(b)(3) of the Internal Revenue Code

Method C. Reporting amounts under section 162(e) of the Internal Revenue Code

Lobbying Disclosure Act vs Internal Revenue Code

	LDA	IRC
Grassroots	No	Yes
Lobbying on a specific bill	Yes	Yes
Meeting on a specific issue	Yes	No
Meeting with agency staff	Yes	No
Policy briefing on an issue	Yes	No
State and Local Lobbying	No	Yes
Executive Branch	Yes	No

Contents of LD-2: Calculating Expenditures

7 Untitled

Prev. Page Next Page Go To Page Online Help Page 1 of 2

9. Check if this filing amends a previously filed version of this report

10. Check if this is a Termination Report Termination Date 11. No Lobbying Issue Activity

INCOME OR EXPENSES - YOU MUST complete either Line 12 or Line 13

12. Lobbying	13. Organizations
<p>INCOME relating to lobbying activities for this reporting period was:</p> <p>Less than \$5,000 <input type="checkbox"/></p> <p>\$5,000 or more <input type="checkbox"/> \$ <input type="text"/></p> <p>Provide a good faith estimate, rounded to the nearest \$10,000, of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).</p>	<p>EXPENSE relating to lobbying activities for this reporting period were:</p> <p>Less than \$5,000 <input checked="" type="checkbox"/></p> <p>\$5,000 or more <input checked="" type="checkbox"/> \$ <input type="text"/></p> <p>14. REPORTING Check box to indicate expense accounting method. See instructions for description of options.</p> <p><input checked="" type="checkbox"/> Method A. Reporting amounts using LDA definitions only</p> <p><input checked="" type="checkbox"/> Method B. Reporting amounts under section 6033(b)(8) of the Internal Revenue Code</p> <p><input checked="" type="checkbox"/> Method C. Reporting amounts under section 162(e) of the Internal Revenue Code</p>

Signature [\[Click here to digitally sign this form with your password\]](#) Date

Printed Name and Title

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Contents of LD-2: Calculating Expenditures

- Good faith estimates
- Income / expenses as incurred
- **Lobbying firm:**
 - gross income from client for lobbying activities, including costs or disbursements that are in addition to fees and separately invoiced
- **Organization:**
 - All employee time spent on lobbying activities, even if the employee does not meet definition of “lobbyist”
- Round to the nearest \$10,000!

Contents of LD-2: Calculating Expenditures by an Organization

- Tracking and reporting expenditures under LDA:
 - Expenditures for salaries, overhead and research related to federal lobbying
 - Include individuals not required to register, but who engage in lobbying activities
 - Payments to contract lobbyists
 - Trade association dues (per the lobbying percentage from each)
 - Travel, entertainment, and miscellaneous expenses in support of lobbying activities
 - No *de minimis* exemptions for costs

Contents of LD-2: Lobbying Issues

Registrant _____ Client Name _____

LOBBYING ACTIVITY. Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Add additional page(s) as needed.

15. General issue area code [Select] (one per page)

16. Specific lobbying issues [Add page to continue specific issues description for this issue -->](#)

17. House(s) of Congress and Federal agencies Check if None

Complete List of Agencies: Selected Agencies:

- U.S. SENATE
- Administration for Children & Families (ACF)
- Administration on Aging
- Advisory Council on Historic Preservation (ACHP)
- African Development Foundation
- Agency for Health Care Policy & Research
- Agency for Toxic Substances & Disease Registry
- Agriculture - Dept of (USDA)
- Air Force - Dept of
- Alcohol & Tobacco Tax & Trade Bureau (TTB)
- Alternative Agricultural Research & Commercialization Center
- American Battle Monuments Commission

An issue code is required to complete this page.

Contents of LD-2: Lobbying Issues

- **Page 2** of LD-2 requires the registrant to:
(Note that you will not get a page 2 if you have checked the “No Activity” box on page 1.)
 - **Disclose** the general lobbying issue area code
 - **Detail** the specific issues and/or bills on which the lobbyist(s) engaged in lobbying activities
 - **Identify** the House(s) of Congress and/or Federal Agencies Contacted
 - **List** the lobbyists who had any activity in the general issue code area
 - **Describe** the interest of a foreign entity if applicable

Contents of LD-2: Issue Codes

ACC	Accounting	CPT	Copyright/Patent/ Trademark	MED	Medical/Disease Research/ Clinical Labs
ADV	Advertising	DEF	Defense	MMM	Medicare/Medicaid
AER	Aerospace	DOC	District of Columbia	MON	Minting/Money/ Gold Standard
AGR	Agriculture	DIS	Disaster Planning/Emergencies	NAT	Natural Resources
ALC	Alcohol & Drug Abuse	ECN	Economics/Economic Development	PHA	Pharmacy
ANI	Animals	EDU	Education	POS	Postal
APP	Apparel/Clothing Industry/Textiles	ENG	Energy/Nuclear	RRR	Railroads
ART	Arts/Entertainment	ENV	Environmental/Superfund	RES	Real Estate/Land Use/Conservation
AUT	Automotive Industry	FAM	Family Issues/Abortion/ Adoption	REL	Religion
AVI	Aviation/Aircraft/ Airlines	FIR	Firearms/Guns/ Ammunition	RET	Retirement
BAN	Banking	FIN	Financial Institutions/Investments/ Securities	ROD	Roads/Highway
BNK	Bankruptcy	FOO	Food Industry (Safety, Labeling, etc.)	SCI	Science/Technology
BEV	Beverage Industry	FOR	Foreign Relations	SMB	Small Business
BUD	Budget/Appropriations	FUE	Fuel/Gas/Oil	SPO	Sports/Athletics
CHM	Chemicals/Chemical Industry	GAM	Gaming/Gambling/ Casino	TAX	Taxation/Internal Revenue Code
CIV	Civil Rights/Civil Liberties	HCR	Health Issues	TEC	Telecommunications
CAW	Clean Air & Water (Quality)	HOU	Housing	TOB	Tobacco
CDT	Commodities (Big Ticket)	IMM	Immigration	TOR	Torts
COM	Communications/ Broadcasting/ Radio/TV	IND	Indian/Native American Affairs	TRD	Trade (Domestic & Foreign)
CPI	Computer Industry	INS	Insurance	TRA	Transportation
CSP	Consumer Issues/Safety/ Protection	LBR	Labor Issues/Antitrust/ Workplace	TOU	Travel/Tourism
CON	Constitution	LAW	Law Enforcement/Crime/ Criminal Justice	TRU	Trucking/Shipping
		MAN	Manufacturing	URB	Urban Development/ Municipalities
		MAR	Marine/Maritime/ Boating/Fisheries	UNM	Unemployment
		MIA	Media (Information/ Publishing)	UTI	Utilities
				VET	Veterans
				WAS	Waste (hazardous/ solid/ interstate/ nuclear)
				WEL	Welfare

Specific Lobbying Issues – Line 16

“Information that is adequate, standing alone, to inform the public of the specific lobbying issues” – *Amended Guide to the Lobbying Disclosure Act*,

http://lobbyingdisclosure.house.gov/amended_lda_guide.html

- Bill number and title required (when lobbying activities concern a particular bill) as well as specific provisions of that bill
- House or Senate bill number alone is “not adequate”
- Only activity by lobbyists – NOT non-lobbyists

House(s) of Congress and Federal Agencies Contacted – Line 17

- If no lobbying contacts made, mark the “Check if None” box
- Otherwise choose all applicable from dropdown box

17. House(s) of Congress and Federal agencies Check if None

Complete List of Agencies: Selected Agencies:

U.S. SENATE
Administration for Children & Families (ACF)
Administration on Aging
Advisory Council on Historic Preservation (ACHP)
African Development Foundation
Agency for Health Care Policy & Research
Agency for Toxic Substances & Disease Registry
Agriculture - Dept of (USDA)
Air Force - Dept of
Alcohol & Tobacco Tax & Trade Bureau (TTB)
Alternative Agricultural Research & Commercialization Center
American Battle Monuments Commission

Add --->
<---Remove

An issue code is required to complete this page.

Lobbyist Information

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Prev. Page Next Page Go To Page Online Help Page 2 of 2

18. Name of each individual who acted as a lobbyist in this issue area [Add a page to continue adding lobbyists for this issue -->](#)

First Name	Last Name	Suffix	Covered Official Position (if applicable)	New
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

19. Interest of each foreign entity in the specific issues listed on line 16 above Check if None

[Add Additional Issue Page -->](#)

Printed Name and Title _____

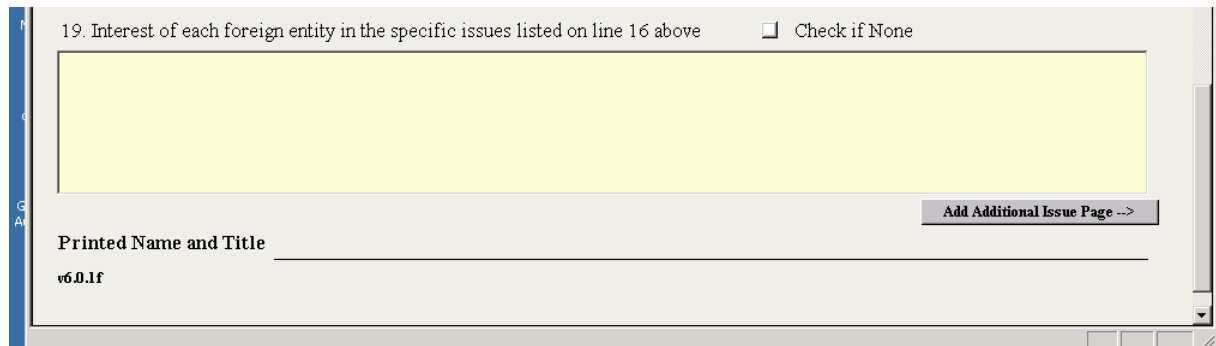
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Names of Lobbyists – Line 18

- Identify previous and new lobbyists if they had any lobbying activities for this issue code during the reporting period, regardless of any contacts (i.e., preparation)
- If a new lobbyist for this client, list past 20 years of covered titles
- When a lobbyist has served in many different covered positions, the information may not fit in the allocated space. Abbreviate as much as possible and if needed, add their name(s) on additional lines to continue adding titles

Foreign Entities – Line 19

- **Describe** the interest of a foreign entity in each issue code, if applicable



19. Interest of each foreign entity in the specific issues listed on line 16 above Check if None

Printed Name and Title _____

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Add Additional Issue Page -->

The screenshot shows a software window for Line 19. The title bar reads "19. Interest of each foreign entity in the specific issues listed on line 16 above" with a checkbox for "Check if None". The main area is a large yellow rectangle. Below it is a text input field labeled "Printed Name and Title" with a horizontal line. At the bottom left of the window is the text "v6.0.1f". At the bottom right is a button labeled "Add Additional Issue Page -->".

LD-2 Update Page

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Prev. Page Next Page Go To Page Online Help Page 3 of 3 Delete Page

Registrant _____ Client Name _____

Information Update Page - Complete ONLY where registration information has changed.

20. Client new address
 Address _____
 City _____ State _____ Zip Code _____ - _____ Country _____

21. Client new principal place of business (if different than line 20)
 City _____ State _____ Zip Code _____ - _____ Country _____

22. New General description of client's business or activities

LOBBYIST UPDATE

23. Name of each previously reported individual who is no longer expected to act as a lobbyist for the client

	First Name	Last Name	Suffix		First Name	Last Name	Suffix
1				3			
2				4			

ISSUE UPDATE

24. General lobbying issue that no longer pertains

AFFILIATED ORGANIZATIONS

25. Add the following affiliated organization(s)
 Internet Address: _____

 Address _____

LD-2 Update Page

- If any corrections to registration information are required, you **MUST** make changes using this page. Any other method may not affect such changes.
- If there are employee or in-house lobbyists (not contract lobbyists) who will no longer lobby for the client, remove them by listing their names on line 23.
- Coalitions / Associations
- Other third party payments

Coalition and Association Disclosure

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Prev. Page Next Page Go To Page Online Help Page 3 of 3 Delete Page

AFFILIATED ORGANIZATIONS

25. Add the following affiliated organization(s)

Internet Address: _____

Name	Address				Principal Place of Business (city and state or country)
	Street Address City	State/Province	Zip	Country	
_____	_____	▼	_____	▼	City: _____ State: ▼ Country: ▼
_____	_____	▼	_____	▼	City: _____ State: ▼ Country: ▼

26. Name of each previously reported organization that is no longer affiliated with the registrant or client

1 _____ 2 _____ 3 _____

FOREIGN ENTITIES

27. Add the following foreign entities

Name	Address			Principal place of business (city and state or country)	Amount of contribution for lobbying activities	Ownership percentage in client
	Street Address City	State/Province	Country			
_____	_____	▼	▼	City: _____ State: ▼ Country: ▼	_____	_____%

28. Name of each previously reported foreign entity that no longer owns, or controls, or is affiliated with the registrant, client or affiliated organization

1 _____ 3 _____ 5 _____
2 _____ 4 _____ 6 _____

Coalitions and Trade Associations

- Awaiting outcome of lawsuit challenging HLOGA provision concerning coalition and association disclosure
- Under HLOGA, associations have a choice if they list their members publicly on their website:
 - If yes – Only report members contributing > \$5,000 in a quarterly period and *control* activity
 - If no – Must report all members who give > \$5,000 in a quarterly period and *actively participate* in the planning, supervision, or control of lobbying activities

Post-Filing Issues

- Filing Confirmation and Inquiries
- Records Retention
- Audit and Referral Provisions

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