Washington State
Public Disclosure Commission

Lobbyist Reporting

January 2007
Instruction Manual

"The public's right to know of the financing of political campaigns and lobbying and the financial affairs of elected officials and candidates far outweighs any right that these matters remain secret and private."

RCW 42.17.010 (10)

The Public Disclosure Law

Adopted as Initiative 276 in 1972
Codified as Chapter 42.17
Revised Code of Washington

The Public Disclosure Commission, five citizens and a small full time staff, administers the law and the rules implementing it.

Objectives:

- to promote citizen's confidence in government by assuring the people of the impartiality and honesty of their officials;
- to avoid secrecy through the full disclosure of political campaign and lobbying contributions;
- to encourage broad participation in the political process;
- to assist those subject to the law in fulfilling their obligations.

Instructions in this booklet are provided to assist in the preparation of reports required by chapter 42.17 RCW. Care has been taken to make these instructions accurate yet concise. Nevertheless, these instructions cannot be substituted for the applicable provisions of chapter 42.17 RCW and 390 WAC. The law and rules are controlling in the event of any conflict with or omission in the instructions. Copies of the law and rules are available on request.

All reports filed with the Commission are public records. Copies are available at cost:

- Paper copies of scanned reports -- 10 cents per page plus postage/handling
- Diskette: $.25 each
- CD ROM: $ 2 each
- Microfiche -- Reports from 1981 thru 1996 are accessible from State Archives 360/586-1492.

Suggestions for additions or changes to the instructions are welcome. Direct them to:

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Persons needing clarification of the instructions or other assistance are encouraged to call PDC. Information concerning Washington's Ethics Law may be obtained from the Executive Ethics Board (360/664-0871), the Legislative Ethics Board (360/786-7540) or the Judicial Conduct Commission (360/753-4585).

In Brief . . .

Anyone who attempts to influence state legislation or the legislative action of a state agency is a lobbyist.

Lobbyists who are paid compensation or other consideration, including expenses, **must register** with PDC on Form L-1, unless they qualify for one of the exemptions discussed on page 2, **and must file monthly L-2 reports**, unless they will be making no reportable lobbying expenses.

Lobbyist employers -- those individuals and entities who employ, hire or pay the compensation or other consideration of a lobbyist -- **sign their lobbyist's L-1 registration form, file annual comprehensive expense reports** (PDC Form L-3), and may be required to file monthly L-3c contributions reports.

All reports are considered filed as of the postmark date or the date hand-delivered to PDC.

Due Dates

Registration (L1 Report)

Lobbyists must register before doing any lobbying or within thirty days of being employed to lobby, whichever occurs first. Unless terminated sooner, registration is valid until January 11, 2009. Amendments to registrations must be filed within one week of the change that prompts the amendment.

Monthly Expense Report (L-2)

Lobbyists must file monthly L-2 reports disclosing compensation earned and expenditures incurred for lobbying. The reports, signed by the lobbyist, are required to be filed by the 15th of the month following the one being reported. The filing date is the date transmitted electronically, hand-delivered to PDC or the postmark date.

Employer's Lobbying Expenses (L-3 Report)

Employers of Lobbyists, including lobbyists who hire or contract with other lobbyists, must **file employer reports by the last day of February** covering compensation and expenditures paid or accrued in the previous calendar year.

Reporting Responsibility

Lobbyist may be penalized for failing to file complete, accurate and timely L-1 registrations and L-2 reports (including L-2 Memo Reports).

Lobbyist employers may be penalized for failing to file complete, accurate and timely L-3 and L3c reports.

Lobbying Reports

PDC Form	Due Date	Explanation
L-1 Lobbyist Registration	Within 30 days of employment as lobbyist or before lobbying, whichever occurs first.	Identifies lobbyist and employer. Indicates employment status and financial arrangements. Shows general subject areas of expected lobbying activities.
L-2 Lobbyist Expenses	Monthly by the 15th. Covers preceding calendar month.	Shows lobbyist's expenses and compensation. Includes employer's expenditures on behalf of lobbyist to assist in the lobbying effort.
L-2 Memo Report	With L-2 (Optional)	Reports and provides notice to recipients of contributions and other items of value. Used in lieu of reporting this information on L-2 and giving recipients copy of L-2 report.
L-3 Employer's Report	By last day of February. Covers preceding calendar year.	Shows the total expenditures of the employer for lobbying. Includes information not required of the lobbyist(s).
L-3c Employer's Contribution Report	Within 15 days of the end of any month during which reportable contributions were made.	Identifies recipients and amounts of contributions exceeding $100 made by employers of lobbyists.
L-5 State and Local Government Agencies	Quarterly, by the end of the month following the end of the quarter.	Identifies employees who lobby on behalf of state or local governmental agencies. Includes general description of activities and information on salary, travel, printing and consultant expenses for lobbying.
L-6 Grass Roots Lobbying	Within 30 days of sponsorship and monthly during campaign by 10th of the following month.	Lists expenses of sponsors of lobbying campaigns designed to gain public support for their positions. Includes list of contributors to these campaigns.
L-7 Employment of Legislators and State Officials	Within 15 days of employment.	Shows new employment relationship between lobbyist or lobbyist employer and state officials or employees who might be lobbied.

Reports are considered filed as of postmark date or, if filed electronically, on the file transfer date.

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Introduction

In 1972, the people of Washington State declared that lobbying expenditures must be fully disclosed if secrecy in government is to be avoided and public confidence in the fairness of governmental processes is to be enhanced. Today, providing accurate and current information concerning the financing of lobbying activities in Washington State remains one of the primary purposes of the Public Disclosure Law.

The law seeks to place on the public record the identity of those who lobby, their employers and the nature, magnitude and intensity of the effort devoted to lobbying as shown through expenditures. The focus is on money. Citizens who petition their state government -- through personal contact, telephone calls and letters -- without payment of any kind and without spending funds to benefit public officials are not subject to the law. Persons who are paid to lobby are generally subject to registration, as are those who make lobbying-related expenditures.

For those lobbyists who must register and report under the law, the key to complying lies in keeping detailed records of all funds received and spent for lobbying. Once registered, lobbyists file monthly reports of their activity until their registration expires or is terminated. When there is no financial activity to disclose, zero reports are filed. Reports are considered filed as of the date of the postmark, hand delivery to PDC or, if filed electronically, on the file transfer date.

Lobbying -- What It Is

Lobby & Lobbying - Definition: State law defines lobby and lobbying as *"attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency under the state Administrative Procedure Act, chapter 34.05 RCW.*

Neither 'lobby' or 'lobbying' includes an association's or other organization's act of communicating with the members of that association or organization." [RCW 42.17.020(27)]

Notice that the law is only concerned with state level activity. With the exception of contributions given to candidates for local office, lobbying at the federal, county, city or special district level is not reportable under the Act.

Legislation - Definition: According to the law, legislation means *"bills, resolutions, motions, amendments, nomination, and other matters pending or proposed in either house of the state legislature, and includes any other matter that may be subject of action by either house or any committee of the legislature and all bills and resolutions that, having passed both houses, are pending approval by the governor."* [RCW 42.17.020(26)]

Based on this definition, lobbying includes efforts to block the introduction of legislation unfavorable to your client's cause, as well as those designed to influence the governor's action.

Legislative Lobbying: Most people who are at all familiar with the disclosure law realize that lobbying members of the legislature is reportable activity. Some may not be aware that reportable lobbying also includes efforts to inform, sway, convince or otherwise influence the action or inaction of legislative staff. Staff recommendations regarding legislation play a significant role in the legislative process. Contacts with legislative staff constitute lobbying. Gift, travel and entertainment expenditures for legislative staffers are reportable.

State Agency Lobbying: Lobbying before state agencies is sometimes overlooked as being reportable. Many agencies have authority to set rates, establish standards to regulate industries and occupations and adopt rules that become part of the Washington Administrative Code (WAC). Attempting to influence state agencies with respect to their "legislative" functions -- setting rules, rates or standards -- is lobbying, and must be reported.

On the other hand, were you to ask an agency to rule on or apply existing laws or rules to a particular situation, you are not lobbying (as it's defined in law) and expenditures incurred to influence the agency's decision are not reportable.

The Registration Process

Who Must Register: Persons, including individuals and entities, who lobby or are employed as lobbyists -- either full or part-time -- must register and report their income and expenditures unless exempt under one or more of the provisions listed below.

A lobbyist may be a regular employee of a company or organization and only devote a fraction of his or her time to lobbying. Or a lobbyist may be a sizeable law firm whose partners or employees undertake protecting the legislative interests of its clients. Or a lobbyist may be a lobbying firm that employs several agents to further the objectives of many client-employers.

Or a lobbyist may be a person who agrees to carry an organization's banner to Olympia without payment except for travel and living expenses. All lobbyists must register unless they meet one of the statutory exemptions discussed below. (Also see Types of Lobbyists section.)

Electronic Filing: Lobbyists now have the opportunity to file their monthly reports electronically over the Internet. The L-2 electronic filing process provides an easy way for lobbyists to comply with state reporting requirements. See back cover page for more information on how to file electronically or visit the PDC web page at www.pdc.wa.gov .

Exempt From Registering and Reporting: Persons who attempt to influence the passage or defeat of legislation and/or the adoption or rejection of administrative rules are exempt from registering as lobbyists if they meet one or more of the following criteria:

1) Limit their lobbying activities to appearances before public sessions of legislative committees, or public hearings of state agencies;

2) At the request of a state agency, participate in that agency's efforts to reach consensus on possible rulemaking under RCW 34.05.310(2). (Once notice of a proposed rule has been published, efforts to influence action on that proposed rule are no longer exempt.)

3) Are working members of the print or broadcast media preparing news reports, feature articles or editorial comment;

4) Lobby without compensation or other consideration for acting as a lobbyist and make no expenditure for or on behalf of any member of the legislature or elected official, public officer or employee of the state in connection with lobbying. (If a person is reimbursed for lobbying expenses, that person is receiving "other consideration" and is required to register. "Other consideration" includes the payment for services, reimbursement or payment of expenses, promise or delivery of goods or services or granting of benefits or privileges that have a tangible and identifiable value.) [WAC 390-05-220];

5) Restrict their lobbying to no more than four days (or parts of four days) during any three consecutive months, and their total expenditures during that period for or on behalf of any one or more members of the legislature, state elected officials, state public officers or employees in connection with lobbying do not exceed $25. (This exemption allowing four lobbying occasions prior to registration is in addition to an initial lobbying effort that was limited to public appearances. See #1 above.)

Persons who restrict their activities to monitoring legislation and/or observing committee hearings and legislative floor debate are not viewed as lobbying and have no registration or reporting requirements.

Likewise, citizens who -- on their own time and without being paid -- write letters, make phone calls or have personal visits with officials in order to express their views on issues have no registration and reporting obligations, provided they spend no money on the public official for such things as meals, drinks or other entertainment, gifts, travel or contributions.

When to Register: A lobbyist must file a registration form (PDC Form L-1) within 30 days of being employed to lobby or before doing any lobbying, whichever occurs first.

Changes in the registration information must be reported to PDC on an amending L-1 form within one week of the change(s).

If a lobbyist has multiple employers, a separate L-1 form must be filed for each.

Registrations are valid until the second Monday of each odd numbered year, unless terminated earlier by the lobbyist or lobbyist employer.

Terminating, Suspending and Reinstating Registrations: Registrations filed during 2007 and 2008 will expire on January 11, 2009, unless the lobbyist or lobbyist employer terminates the registration on an earlier date.

Lobbyists terminate their registrations when their lobbying functions have concluded. Terminations must be done in writing; preferably on Line 14 of the Lobbyist Monthly Expense Report (PDC Form L-2), showing the employer's name and the date the termination is effective. A letter supplying this same information may also be submitted. Once terminated, a lobbyist must file a new L-1 before doing any further lobbying on behalf of that client or employer.

Lobbyist employers may terminate the registrations of their lobbyists by submitting a written statement identifying which lobbyists are being terminated and as of what date.

A lobbyist must file an L-2 for the last month or portion thereof for which he or she was registered. For example, if lobbying activities conclude on May 15, an L-2 covering May 1 to May 15 would be filed on or before June 15 and would include the termination notice.

Lobbyists may also temporarily suspend their registration by notifying the Commission in writing that for the period of time specified no lobbying will be done, no expenditures will be made for lobbying and no compensation will be earned for lobbying. During the period of the suspension, no monthly L-2 reports are required.

Lobbyists who suspend their registrations may reinstate them by notifying PDC in writing that they wish to reactivate their registration(s). The letter must state whether all the information on the previously submitted L-1 remains accurate or a new L-1 is being submitted. If a registration was suspended by the employer, the reinstatement notice must come from that employer.

Types of Lobbyists

Listed below are descriptions of the various kinds of lobbyists and whether registration and reporting are required. The chart on page 6 summarizes the reports required from each type of lobbyist.

Employee Lobbyist: It's not unusual for businesses and organizations to assign one of their regular employees the task of lobbying. Registration and reporting by these lobbyists are required. On the L-2, employees will prorate their gross pay according to the amount of time spent lobbying in order to arrive at the compensation for lobbying figure required to be reported on the form. Some months may show little or no activity, others may reflect nearly full-time lobbying work.

Contract Lobbyist: A person who provides lobbying services on a contract basis is a contract lobbyist. These lobbyists are not employees of the client-employers on whose behalf they work. Contract lobbyists may have one or many lobbying employers. These lobbyists may receive a fee plus expenses or simply a flat fee. Contract lobbyists must register and report for all their employers, unless their activity for a given employer falls within one of the exemptions.

Contract lobbyists may also be consultants, public relations experts or the like. Payments received for non-lobbying related activity are not reportable.

Subcontract Lobbyist: A lobbyist -- usually a contract lobbyist -- may decide to subcontract out some of his or her lobbying duties to another lobbyist. The latter is the subcontract lobbyist. The principal lobbyist is the lobbyist employer. Both must register and report.

The principal lobbyist registers and reports for each client-employer. This lobbyist will show payments to the subcontractor in Items 9 and 18 of the L-2 and file an Employer's Lobbying Expenses Report (PDC Form L-3) summarizing payments to the subcontractor lobbyist and any reportable expenditures made on that lobbyist's behalf.

The subcontractor registers showing the principal lobbyist as the employer. The names of the actual clients to be served will be shown in the "Remarks" section. See L-1 example on page 18. The subcontractor will file monthly L-2 reports disclosing any payments received from the principal lobbyist and any expenditures made.

Lobbying Firms & Other Lobbying Entities Employing Multiple Lobbyists: Some businesses are formed strictly to provide lobbying services to clients. Other law firms, public relations firms and consultant businesses provide lobbying services as part of their overall package of services. For disclosure law registration and reporting purposes, each is considered a lobbying firm.

The lobbying firm files a registration statement for each client-employer, listing the names of the firm's partners or employees who will conduct the actual lobbying on line 11 of the L-1. The monthly L-2 report will show the amount of compensation received by the firm from each client for all lobbying services, as well as the combined expenses of the individuals who did the lobbying for that client.

Volunteer Lobbyist: This is a person who lobbies, but satisfies one of the exemptions and is not required to register or report. Occasionally, the lobbyist elects to register anyway. Volunteer lobbyists who choose to register should note their status in the "Remarks" section of the L-1 form so it's clear that this is a voluntary registration and no monthly L-2 reports are required. Unless the registration is marked "Volunteer," monthly expense reports will be required.

Unsalaried Lobbyist: One type of unsalaried lobbyist is a person who lobbies without compensation except for reimbursement of travel and personal expenses. It would not be unusual for a neighborhood association or other locally-based citizens group to have such a lobbyist.

This unsalaried lobbyist is required to register, but does not need to file monthly L-2 reports if the payments received are for non-reportable expenses. A list of these expenses is located on page 19. If no reportable expenses will be made, note that fact in the "Remarks" section and also state that no L-2 reports will be filed. Otherwise, monthly expense reports are required.

If an unsalaried lobbyist plans on making reportable expenses -- for such things as gifts, entertainment, contributions or providing travel for legislators or other state employees -- the lobbyist must register and file monthly L-2 reports, even though many of the reports may show zero expenditure activity.

(Note: Unsalaried lobbyists are people who take vacation or leave time from their jobs to lobby and are only reimbursed for lobbying-related expenses by the group or organization on whose behalf they lobby. Persons who receive compensation for the time they spend lobbying -- i.e., they are on company time while lobbying, even though they don't receive any special salary or fee for lobbying -- are in fact being paid to lobby and are considered salaried or paid lobbyists.)

Self-Employed Lobbyist: This is a lobbyist who will be pursuing his or her own agenda with the legislature or state agencies. There is no "employer of lobbyist." The lobbyist is working on his or her own behalf. Frequently, self-employed lobbyists fall under one of the exemptions outlined above. However, if the lobbyist is not exempt (because, for example, he or she spends money to entertain a legislator), then he or she must register, showing him or herself as the lobbyist employer. If the person makes or plans to make reportable expenses, then monthly L-2 filing is also required. (Note: If a person lobbies on behalf of his or her own business, then the person registers and reports as a lobbyist showing the business as the lobbyist employer. That business will then file an annual L-3 lobbyist employer report.)

Casual Lobbyist: Persons who limit their lobbying to no more than four days (or parts of four days) in three consecutive months and who spend no more than $25 in the aggregate on one or more public officials or employees during those three months are casual lobbyists. Frequently, these are the in-house specialists (actual employees of the lobbyist employer) who visit with legislators or other officials to lend their particular expertise to the discussion. Casual lobbyists do not need to register or report. (Casual lobbyists are advised to keep track of the time they spend lobbying and any expenditures they make in the event they end up registering and reporting because they are about to exceed the four-day limit. Note that any fraction of time spent lobbying on a given day counts as one of the four days.)

Intern Lobbyist: This is a person who, out of personal interest or for college credit, wants to learn the lobbying ropes. Generally, no or minimal payment is received and, whatever payment is received, comes from the lobbyist who agrees to tutor the intern and not from the lobbyist employer.

Interns whose activities are restricted to monitoring legislation, keeping vote tallies, observing hearings and floor debate, or whose activities fall within one of the exemptions, need not register and report.

However, if interns receive compensation or other consideration for actual lobbying, the intern must register showing the principal lobbyist as the employer. Use the "Remarks" section to list the names of those employers on whose behalf the intern is authorized to lobby. Both the intern and the principal lobbyist will file monthly L-2 reports. In addition, the principal lobbyist will file an Employer's Lobbying Expenses Report (PDC Form L-3) disclosing payments to and expenditures made on behalf of the intern.

Public Agency Lobbyist: Many state and local governmental agencies designate one or more employees of the agency as their lobbyists. These employees are not required to register and report on L-1 and L-2 forms. However, public agencies must file quarterly (on PDC Form L-5) if they engage in reportable lobbying activity.

Some public agencies do retain non-employee, contract lobbyists to act as their lobbyists. These contract lobbyists must register on the L-1 form and file L-2 reports for these public agency employers. The agencies do not file an annual Employer's Lobbying Expenses Report (Form L-3), but rather include payments to or on behalf of the contract lobbyists on their quarterly L-5 reports.

Type of Lobbyist	Required Reports		
	L-1	L-2	L-3
Employee Lobbyist	X	X	
Contract Lobbyist	X	X	
Subcontract Lobbyist			
Original Lobbyist	X	X	X
Subcontract Lobbyist	X	X	
Lobbyist Employed by Another Lobbyist			
Principal Lobbyist	X	X	
Employee Lobbyist			
Lobbying Firm[1]	X	X	
Volunteer Lobbyist[2]			
Unsalaried Lobbyist[3]	X		
Self-Employed Lobbyist[4]	X	X	X
Casual Lobbyist[5]			
Intern Who Does Not Lobby[6]			
Intern Who Does Lobby			
Lobbyist who employs/tutors intern	X	X	X
Intern Lobbyist	X	X	
Public Agency Lobbyist			
Employee of Agency[7]			
Contract Lobbyist	X	X	

[1]The firm's partners or employees (agents) doing the actual lobbying are listed on line 11 of the L-1 (these individuals do not file separate L-1 forms, although an ID page must be submitted for each). The firm is expected to file one combined L-2 report showing the compensation earned and expenditures made by all lobbying agents; if the firm fails to file accurate and timely L-2s, the responsibility rests with the agents.

[2]Exempt from registering and reporting; if lobbyist registers by choice, mark form "volunteer," and no L-2 reports will be required.

[3]Many unsalaried lobbyists need to register because they receive "other consideration" for lobbying; if no reportable expenditures will be made, however, they do not need to file L-2 reports as long as they state on their L-1 form "No Reportable Expenses."

[4]If a self-employed lobbyist will not make reportable lobbying expenditures (e.g., contributions or entertainment expenses), no registration or reporting is required. If voluntarily register, see 2 above.

[5]Casual lobbyists are exempt from registering and reporting, but records should be kept in case the time (or spending) limits are exceeded and the exemption is lost. See page 5 for more details.

[6]Interns who restrict their activity to monitoring legislation, observing hearings and floor debate or to other exempt activity need not register and report.

[7]Public employees who lobby on behalf of their agency need not register and report like private sector lobbyists, but they may. The agency reports according to RCW 42.17.190 and PDC form L-5.

Reporting Special Lobbying Activities

Anyone planning to entertain state officials or employees are advised to contact the Legislative Ethics Board (360/786-7540), the Executive Ethics Board (360/664-0871) or the Judicial Conduct Commission (360/753-4585) to verify that state officials and employees may legally participate in the event.

Groups Traveling to Olympia

A large group of people decides to visit Olympia to lobby on a particular issue. For example, a delegation from a local chamber of commerce charters a bus, comes to Olympia to hold a rally on the capitol steps, has its members meet individually with legislators and hosts a reception for the purpose of entertaining and lobbying legislators. In lieu of each member of the delegation registering as a lobbyist for this brief visit, the group leader may register on an L-1 (prior to any actual lobbying taking place) and report the expenses of all members of the group on an L-2 form. The L-2 is due on the 15th of the month following the one in which the lobbying occurred. Generally, this person will terminate his or her registration on the same L-2 report that discloses the expenditures for the trip.

Reception Hosted by a Lobbyist Employer

If a lobbyist employer pays for a legislative reception, the principal lobbyist for the employer will include on lines 5 and 15 of his/her monthly L-2 the total expenses associated with hosting the reception. On line 15, the lobbyist also must disclose the per person cost of holding the reception (by dividing the total of all costs incurred for the event by the number of persons expected to attend) and provide a list of all attendees.

In addition, if the per person cost for food and beverages only (as opposed to factoring in all reception expenses) is over $50, then any legislator or other state elected official who attends must be sent a copy of the L-2 report or provided with an L-2 Memo Report. If an elected official attends with his or her spouse (or other family member) and over $50 is attributable to them jointly for food and beverages, this also triggers the need to give a copy of the L-2 or L-2 Memo Report to the official.

Note that the same circumstances that trigger giving the official a copy of the lobbying report also determine when that official will have to report receipt of the food and beverages on his or her next personal financial affairs statement (F-1). That is, if the per person expense for food and beverages is over $50 or the official is accompanied by a family member and the amount for food and beverages attributable to them jointly is over $50, the official will be reporting this occasion on his or her next F-1.

Reception Hosted by Two or More Lobbyist Employers

If two or more lobbyist employers share the expenses of a reception or other entertainment event, the principal lobbyist for each employer will disclose that employer's portion of the expenses for the event on lines 5 and 15 of the L-2. In addition, one of these lobbyists will show on line 15 the per person cost of the event (by dividing the overall total cost of holding the event by the number of persons expected to attend). This lobbyist also will include a list giving the names of all persons who do attend. Rather than duplicating this per person cost information and the list of attendees, the principal lobbyists of the other employers sponsoring the event may make reference to the lobbyist's report that contains these details.

The next step is to determine if any state elected official will have to be given information concerning what portion of the costs for food and beverages are attributable to him or her.

To do this, divide the full cost for food and beverages provided at the event by the number of persons expected to attend. If this per person cost for food and beverages is over $50, then one of the principal lobbyists will have to send an L-2 Memo Report to each state elected official who attends. If an elected official attends with his or her spouse (or other family member) and, based on the per person cost, over $50 is attributable to them jointly for food and beverages, this official also must be provided with an L-2 Memo Report. When completing the Memo Report, the "Source of the Gift" is all the employers who paid a portion of event costs.

Reception Hosted by Non-Lobbyist Employer

If a business, organization or individual who is not a lobbyist or lobbyist employer elects to host, or be one of the hosts of, an entertainment event that is intended to influence the passage or defeat of any legislation, or the legislative action of a state agency, that person or entity is, in fact, engaging in lobbying.

In lieu of registering and reporting as a lobbyist, the principal organizer must contact PDC for guidance.

At a minimum, organizers will be asked to identify the sponsors, the amounts spent by each sponsor, the per person cost for holding the event, the per person cost for food and beverages, a list of those attending and a brief description of the event.

Involving Association Members in Lobbying Effort

Some lobbyists who have associations as lobbying clients arrange to have members of the association entertain legislators from the member's district. For example, a contract lobbyist for the Widget Manufacturing Association arranges for an association member to take his state senator to lunch or dinner to discuss pending legislation. The association member uses his own funds to pay for this entertainment.

If the association member spends more than $25 on this entertainment (including his own meal), this expenditure needs to be reported as a lobbying expense. In lieu of the association member registering and reporting, the contract lobbyist may include the expense, along with an explanation, on his or her L-2 report as an "Entertainment" expense.

If the association member spends more than $50 on the legislator (or on a combination of the official and the official's family members), the contract lobbyist must also send to the official a copy of the L-2 disclosing the expense or an L-2 Memo Report.

If the contract lobbyist in this example chooses not to report the lobbying expenditures of association members, or the lobbyist was not involved in arranging the entertainment of legislators by association members and is unaware that this activity is occurring, each association member who spends more than $25 in connection with lobbying activities must register and report as a lobbyist.

If the association member is not reimbursed by the association for lobbying expenditures, the member will register as a "self-employed" lobbyist. Monthly L-2 reports are required until he or she terminates the registration.

Field Trips and Other Excursions

Expenditures by the lobbyist or lobbyist employer for field trips or other excursions provided to elected and appointed officials must be disclosed on the monthly L-2 or an L-2 memo report.

The report must identify the persons attending the field trip or other excursion along with the date, pro rata cost and a brief description of the field trip or other excursion.

Political Advertising Expenses

Expenditures by the lobbyist or lobbyist employer for political advertising supporting or opposing a state or local candidate or ballot measure must be disclosed on the L-2 report.

For example, if a lobbyist or lobbyist employer -- alone or in conjunction with others -- pays for a direct mail piece supporting a candidate, all the lobbyist's or employer's costs associated with developing, producing and distributing the political ad must be reported on lines 8 and 17 of the L-2.

Expenditures for political ads are reportable on the L-2 (in addition to any campaign reporting that is required), whether the ad constitutes an independent expenditure or qualifies as a contribution to a candidate or ballot measure committee. However, a monetary contribution from a lobbyist or lobbyist employer to a candidate or political committee that the recipient in turn decides to spend on political advertising is not reportable by the lobbyist as a political advertising expense, but is still reportable on lines 6 and 16 as a contribution.

Public Relations, Telemarketing and Polling Expenses

Lobbyists are required to report expenditures made by them or their lobbyist employers for public relations, telemarketing, polling or similar expenses if the expenses were in any way intended, designed or calculated to influence legislation, including the adoption of any rule, rate or standard by a state agency.

At present, PDC is relying on the following dictionary definitions:

> **"Public Relations"** means the methods and activities employed in persuading the public to understand and regard favorably a person, business or institution.
>
> **"Telemarketing"** means selling or advertising by telephone.
>
> **"Polling"** means to question in a survey: canvass; a survey of the public or a sample of the public to record opinion or acquire information.

The following types of expenditures are among those that are reportable <u>if they are directly or indirectly intended, designed or calculated to influence legislation or rulemaking:</u>

- expenditures for market research done in-house or through a contract with an outside vendor;
- expenditures for the development, production and distribution of advertising to enhance the lobbyist employer's image;
- an association's expenses to poll the general public or a segment of the general public about a matter that may be the subject of legislation;
- costs associated with producing press releases, op-ed pieces or other articles designed to sway public opinion about possible tax increases; and
- costs associated with contacting editorial boards regarding the need for certain statutory changes.

However, expenditures by an association or other organization to communicate with its own members are <u>not</u> reportable.

Grass Roots Lobbying

Grass roots lobbying is defined as a program "addressed to <u>the general public</u>, a substantial portion of which is intended, designed or calculated primarily to influence state legislation."

Any person or entity making grass roots lobbying expenditures not reported by a registered lobbyist, a candidate, or a political committee <u>exceeding $1,000 in the aggregate in any three month period or exceeding $500 in the aggregate in any one month period</u> must file a grass roots lobbying report.

If an organization sends a notice about pending legislation to its members, or a corporation sends a similar message to its stockholders, the expenses related to these activities are <u>not</u> reportable as grass roots lobbying.

However, if an organization spends over $500 in one month or over $1,000 in three months

- for a full-page newspaper ad supporting a bill pending in the legislature,
- hiring a person to organize public meetings in order to influence action on issues being considered by the legislature, and/or
- undertaking any other activity that satisfies the definition of grass roots lobbying

then reporting is required.

The initial grass roots lobbying report (PDC Form L-6) must be filed within 30 days of becoming a sponsor of a grass roots lobbying campaign. Thereafter, sponsors file monthly reports on the 10th of the month covering the preceding calendar month. On the final report show that the activity is concluded.

Lobbyists can relieve their employers from the responsibility of filing an L-6 report, by including grass roots lobbying expenditures on their L-2 reports, **only if the grass roots campaign is financed out of the employer's existing funds.** If the employer conducts a special fund raising effort or accepts funds from other sources to finance the grass roots lobbying, L-6 reporting is required (and expenses would not be included on the L-2).

Note that even if a lobbyist employer files an L-6 report covering grass roots lobbying activities, a lobbyist must still disclose on his or her L-2 any of his or her employer's lobbying-related expenditures for public relations, telemarketing or polling activities. See page 9 for more information.

Candidates and political committees who sponsor grass roots lobbying campaigns do not need to file L-6 reports, whether they use existing funds or receive funds from outside sources. All their contribution and expenditure activity, including that related to grass roots lobbying, is fully reported on their campaign disclosure reports (the "C" series).

Prohibitions and Restrictions

The law states that it is a violation for any person or entity to pay or agree to pay any consideration to a person for lobbying unless that person is registered as a lobbyist with PDC. [RCW 42.17.220]

The law also imposes certain duties and responsibilities on lobbyists in addition to registering and filing accurate and timely reports of compensation and expenses. According to RCW 42.17.230(2), a person required to register as a lobbyist is prohibited from:

1) Engaging in any activity as a lobbyist before registering;

2) Knowingly deceiving or attempting to deceive any legislator as to any fact pertaining to any pending or proposed legislation;

3) Causing or influencing the introduction of any bill or amendment for the purpose of afterwards being employed to secure its defeat;

4) Knowingly representing an interest adverse to any of his/her employers without first obtaining the employer's written consent and after full disclosure of the adverse interest;

5) Exercising any undue influence, extortion, or unlawful retaliation upon any legislator by reason of the legislator's position or his vote on any pending or proposed legislation;

6) Entering into an agreement, arrangement, or understanding that all or a portion of the person's compensation is contingent upon the success of any attempt to influence legislation.

Also see section on "Contribution Limits and Restrictions" at the end of this manual.

Last-Minute Contributions

During the 7 days before the primary election and the 21 days before the general election, lobbyists and employers of lobbyists must file a Last-Minute Contribution notice if they make contributions -- whether monetary, in-kind or a combination of both -- to any candidate or political committee totaling $1,000 or more in the aggregate. The notice must be filed with PDC and the contribution recipient within 24 hours of making the contribution.

(Note: This reporting requirement is not authority to exceed any state or local contribution limit.) [RCW 42.17.175]

The notice discloses the amount of the contribution, the date it was given, the name and address of the donor, and the receiving campaign's name and address. Either fax the information to PDC and the recipient or relay the information by telephone and follow up the call with written confirmation. (PDC telephone: 360/753-1111; Toll Free 1-877-601-2828; fax: 360/753-1112) Currently, this last-minute contribution notice is the only "report" that may be filed by facsimile.

Information concerning last-minute contributions of $1,000 or more is also included on L-2 reports.

Records and Retention

Retention: Lobbyists must preserve all accounts, bills, receipts, books, papers and other documents that substantiate their reports for five years. However, if the lobbyist is required, as part of his or her employment agreement, to turn all records over to the employer, the employer has the responsibility to preserve them for five years. [RCW 42.17.230(1)]

Record Keeping: The financial reports required from lobbyists and employers mandate that complete, accurate and detailed records be maintained. The type of information that needs to be reported is often both greater and different from that found in most financial accounting systems or required by the Internal Revenue Service. For these reasons, a careful study should be made of the reporting requirements of the Public Disclosure Law to insure that the record keeping system used will enable both the lobbyist and employer to prepare and substantiate the expense reports.

Given the variety of lobbyists, lobbyist employers and the resources available to them, it is not feasible to suggest a uniform bookkeeping system. Lobbyists and employers must examine their own planned activities and devise a system that is compatible with their other financial accounting requirements, while still satisfying the reporting requirements of the disclosure law. Below are some hints and suggestions to assist in record keeping.

Reminders:

- Report all compensation and expenses on an accrual basis. That is, report them for the month in which they were earned or incurred, not necessarily received or paid.
- Lobbying reports cover a calendar month and lobbyist employer reports cover a calendar year. Books should be established, expense accounts submitted and, where possible, arrangements made with vendors for billing to cover a similar period.
- Records substantiating reports must be kept for five years from the file date of the report.
- Separate accounts, subsidiary ledgers or a similar system to segregate or identify expenses for lobbying from other expenses should be established. PDC recommends a separate bank account; separate credit cards for lobbyist purchases, identification on expense vouchers (or separate vouchers) for lobbying expenses and other discrete identification of expenses for lobbying.
- Keep receipts for all purchases. Annotate receipts with the date of purchase, purpose and persons in the party. Many credit card charge slips provide space for this information.
- Keep a record of time spent lobbying. This is especially important for those who lobby part-time in addition to performing other duties for the employer, as well as for those lobbyists who have more than one employer.
- Have one person in the lobbying organization who is the focal point for gathering financial data for lobbying reports. In small organizations, this person may be the lobbyist. In larger firms, it will usually be the accountant who reviews expense accounts or travel claims and vouchers.
- Personnel officers and purchasing agents (as well as the accounting department) of lobbyists and their employers must be alert to the requirement to report employment or business relationships with elected officials, state employees, their families, and firms in which those individuals are officers, directors or major stockholders. Many lobbyists and employers include a question on employment applications to assist them in determining whether a relationship will be subsequently reportable. PDC annually publishes a "List of Elected Officials" that identifies state officials and companies with which they are associated.
- For special or unusual lobbying activities, involve the accountant or other person completing the expenditure reports during the planning stage. In this way, any record keeping and reporting problems can be anticipated and remedied more easily. PDC can often offer suggestions or the lobbyist could request in writing a reporting modification from the Commission. (See Requests for Reporting Modifications below.)

Requests for Reporting Modifications

The Public Disclosure Commission may suspend or modify the reporting requirements of anyone subject to the Act if it decides that the law works a **"manifestly unreasonable hardship"** on the filer and the modification **"will not frustrate the purposes"** of the disclosure law.

If you believe your situation meets these two statutory tests and you can provide convincing arguments to that effect, you may ask the Commission for a reporting modification.

To apply for a modification, write the Commission a letter that:

- states the reasons why reporting the required information would cause a hardship,
- suggests a modification would relieve the hardship, and
- gives reasons why granting your request would not "frustrate the purposes" of the disclosure law.

Send your lobbying report, as complete as possible, with your letter.

A hearing will be scheduled to consider your request. It's best if you attend the hearing, but your presence is not required.

Amended Reports

Although every effort should be made to file complete and accurate reports, mistakes do happen. If you discover an omission or mistake in a previous report <u>that affects the computations on the front side</u> of the L-2 form (lines 3 through 10), file an amended report.

Prepare an amended L-2 report as follows: Complete the second part of line 2 that indicates which month's report you're correcting or amending. Complete the entire form. Amended L-2 reports should be filed as soon as the error is discovered.

If a reporting error occurred that does not affect the computations, you may submit a letter of explanation rather than filing a complete, amended report.

Amendments to any of the information on the L-1 form are to be filed within <u>one week</u> of the change prompting the revision, and the entire form must be completed (not simply the new information).

Completing Reports & Attachments

Lobbyists can electronically file their monthly reports over the Internet. The L-2 electronic filing application is an easy way for lobbyists to comply with state reporting requirements. See back cover page for more information on how to file electronically or visit the PDC web page at *www.pdc.wa.gov.* Electronic filers may submit attachments to their reports by e-mailing the attachment to *pdc@pdc.wa.gov* with a note explaining to which report to it should be attached.

All paper reports and attachments must be typewritten, computer generated, or printed in blue or black ink. Paper reports are scanned into a document imaging system and the scanner may not recognize ink colors other than blue or black.

Please use 8-1/2" x 11" white paper for attachments or enclosures and include your name on all supplemental pages. Keep a copy of each report submitted as part of your records.

PDC Inquiries and Audits

PDC staff may contact lobbyists or lobbyist employers advising them that a report appears to be missing or incomplete, asking for clarification of a report or requesting additional information. Please cooperate with these informal contacts and supply the requested information promptly.

Each year, a limited number of lobbyists and lobbyist employers will be the subject of random audits. Some of these are in-depth and the lobbyist and employer will be asked to make available all records, including receipts and other documentation. These audits are routine.

Audits also are conducted for cause because a complaint has been received or there is reason to believe disclosure reports are not accurate. If you are the subject of such an audit, be assured you will have every opportunity to explain your position.

Penalties and Fines

The intent of the Public Disclosure Law cannot be satisfied unless reports are filed timely and accurately.

As a matter of general policy, the first time a lobbyist fails to comply with a report due date, he or she will receive a late notice. A second report date violation will result in receipt of a notice of enforcement hearing; the hearing will be canceled if the report is filed and a $100 penalty is paid promptly. If a lobbyist files late three or more times during a year, an enforcement hearing will be held. If a lobbyist has a history of late reporting, a hearing could be scheduled notwithstanding the general policy.

If the Commission finds a lobbyist in violation of any of the statutory provisions, it could impose a penalty of up to $1,000 for a single violation or $2,500 for multiple violations. In addition, the Commission could revoke or suspend a lobbyist's registration, or refer the matter to the State Attorney General for appropriate action. The civil remedies and sanctions available to the court are set out in RCW 42.17.390.

Registering as a Lobbyist

The L-1 Form: Listed below are step-by-step instructions for completing the Lobbyist Registration, PDC Form L-1. Filers are strongly encouraged to review the preceding pages of this manual before completing the registration form. **If a lobbyist has multiple employers, a separate registration must be completed and filed for each employer.** "Lobbyist employer" means the person or persons who employ a lobbyist and all persons who compensate a lobbyist for lobbying.

The PDC Form L-1, Lobbyist Registration, cannot be electronically filed. Original signatures of the lobbyist and lobbyist employer are required and registration is not valid unless signed by both.

An example of an L-1 form filed:

- by an individual is located on page 16;
- by a lobbying firm (or any entity employing two or more individuals who lobby) is found on page 17; and
- by a subcontractor lobbyist who is paid by another lobbyist is located on page 18.

Item # Explanation

1. Include the full name and permanent mailing address of the registered lobbyist. If the lobbyist is a firm, public relations business, partnership or other entity employing two or more individuals who lobby, give this entity's name and address (the names of the individual lobbying agents will be listed in line 11).

2. If you, as the lobbyist, have a session-only address that differs from your permanent address, list it here. Be sure to include your business telephone numbers, both permanent and temporary, cell phone or pager number and e-mail address.

3. Show the lobbyist employer's current address as well as the name and title of the person at the employer's address to whom questions should be directed and the L-3 form should be sent. **DO NOT list your own name and/or address** unless you're lobbying on your own behalf (i.e., there is no other lobbyist employer).

   In the space provided, identify the employer's business or occupation by selecting one of the categories listed below that best describes your employer's occupation or business type:

   Advertising/Print Media
   Agriculture
   Amusements
   Business Organization (e.g., chambers of commerce, non-aligned business groups, United for Washington, etc. Trade associations should choose a more definitive descriptive term; a medical association would select "health care: practitioners")
   Commercial services
   Construction
   Education (teacher unions should select "unions: teacher")
   Energy: nuclear
   Energy: petroleum
   Finance (banks, securities and investment firms)
   Fisheries
   Food/Beverage/Lodging
   Forest/Wood Products
   Government (county and local government associations)
   Health Care: facilities
   Health Care: insurance
   Health Care: practitioners
   Health Care: products
   Insurance
   Law/Justice
   Lobbying Firm (for use by subcontractor lobbyists)
   Manufacturing
   Mining
   Real Estate/Development (including property management)
   Recreation/Leisure: arts
   Recreation/Leisure: outdoor
   Religious Organizations
   Retailing
   Social/Civic/Fraternal Organizations
   Social Services
   Tobacco
   Transportation: air
   Transportation: land
   Transportation: marine
   Unions: public employee
   Unions: teacher
   Unions: trade
   Utilities: broadcast
   Utilities: electric
   Utilities: telephone
   Utilities: water & waste

4. Identify the name of the person who is responsible for keeping the records that substantiate your lobbying reports. If it's you, so state. This person could also be a treasurer or accountant who approves expense payments.

5. If you receive compensation, salary or an hourly wage for the time you spend lobbying, indicate how much. If you are receiving no compensation for lobbying, put "none."

   If you are a regular employee of the lobbyist employer, show your normal rate of pay unless you receive a different amount for the time you spend lobbying. If you're a contract lobbyist, show the amount specified in your contract for lobbying.

   The compensation figure supplied on the L-1 is a general statement of the amount or rate of pay you anticipate receiving for lobbying. The actual amounts earned will appear on your monthly L-2 reports.

   Also, check all boxes that describe your employment status with the lobbyist employer.

6. How and to what degree will you be paid for lobbying expenses other than your salary? If you pay your expenses from your salary or retainer, check "no" and see L-2 example entitled "Flat Fee, No Expense Payments or Reimbursements Received."

   In the adjoining space, indicate which expenses, if any, the employer will pay directly to the vendor on your behalf, rather than through a reimbursement payment to you. For example, you charge vehicles you rent for lobbying-related travel to the employer, and the employer, in turn, directly pays the rental company.

7. Indicate the expected duration of your lobbying effort. **Regardless of what you designate here, L-2 reports are required until you give notice of termination on line 14 of the L-2 report or provide other written notice. An L-2 is required, even if it shows zero expenses, for any month or partial month that the registration is in force.**

8. If your lobbyist employer is not a membership association or similar entity, check "No." If your employer is an association or similar membership entity, and if any of the members is expected this year to pay dues, fees or other payments amounting to over $500 or has paid over $500 during either of the past two years in dues, fees or payments, check "Yes. The list is attached" If your employer is an association or similar membership entity, and no member has paid, pays, or is expected to pay over $500 check the box indicating "Yes. However no member has paid, pays, or is expected to pay over $500."

9. Some employers have related or closely affiliated political committees whose funds may be used by you to make political contributions. If the committee's funds are available for your use in making contributions, check "Yes" and identify the committee. If there is no affiliated committee or the committee's funds will not be available to you for making contributions, check "No."

10. If the registered lobbyist is a lobbying firm, business, partnership or other entity, use the space provided to identify the firm's employees or partners who will conduct the actual lobbying.

11. Check the subject areas about which you anticipate lobbying the legislature. If you plan to lobby state agencies, list each agency by name.

12. Your **registration must be signed** by you and the president or other appropriate officer of the lobbyist employer. The registration is not valid unless signed by both.

The ID Form: As part of the registration process, each lobbyist must provide a brief biographical sketch and a passport size (2" x 2"), glossy photo. The photo must have been taken within the last 12 months. Be sure to include the full name of all employers for whom you will be lobbying on the ID Page as well as all the other information.

The biography should briefly explain your background, your present interests and be approximately 50 words long. Be sure to describe your qualifications, especially if you have expertise in the areas in which you'll be lobbying.

A firm or company registering as a lobbyist must submit an identification page, with photo, for each individual who will lobby on behalf of the firm.

The following examples may help you prepare your own biography.

BIOGRAPHY: Rebecca Brown is a volunteer lobbyist for PTSA. She has three children, one in grade school, another in middle school and the oldest is a junior in high school. Ms. Brown has been active in the state PTSA for five years, has served as president of her local chapter, and has worked on two successful levy campaigns.

BIOGRAPHY: Dr. Jones has a personal and professional interest in special children. In addition to being director of the Child Guidance Center and a board member of Save Our Children, she and her husband devote considerable time and attention to raising their physically challenged daughter. Dr. Jones works without compensation for "Special Children, Special Needs."

BIOGRAPHY: Lobbying is only a small portion of John Doe's duties as chairman of the board of XYZ Corporation. In connection with his postgraduate studies at the University of Washington, he conducted extensive research on water quality and related environmental issues.

BIOGRAPHY: Attorney Abner Katz has represented the interests of his various employers for several years. Lobbying and public relations are key elements of the service package he provides. Katz devotes approximately one-third of his time to lobbying.

PUBLIC DISCLOSURE COMMISSION
711 CAPITOL WAY RM 206
PO BOX 40908
OLYMPIA WA 98504-0908
(360) 753-1111
1-877-601-2828

LOBBYIST REGISTRATION

L1

THIS SPACE FOR OFFICE USE

1. Lobbyist Name

John Q. Jones

Permanent Business Address

301 Adams Street

City: Anyplace | State: WA | Zip: 98400-0000

Business Telephone Numbers

Permanent (509) 442-1111

Temporary (360) 753-1212

Cell Phone or Pager (509) 442-1312

E-Mail Address

jjones@hotmail.com

2. Temporary Thurston County address during legislative session

Ramada Inn Governor House, Room 276, 621 Capitol Way S., Olympia, WA

3. Employer's name and address (person or group for which you lobby)

Association of Gizmo Manufacturers, 400 Front Street, Port City, WA 99000
Atten: Joan Myers, Vice President, Public Affairs

Employer's occupation, business or description of purpose of organization

Manufacturing

4. Name and address of person having custody of accounts, receipts, books or other documents which substantiate lobbyist reports.

Marvin Byrd, Comptroller, Same as Employer Address Above

5. What is your pay (compensation) **for lobbying**?

$ 2,000 per month (hour, day, month, year)

Other: Explain:

Description of employment (check one or more boxes)

- ☐ Full time employee
- ☐ Part time or temporary employee
- ☒ Contractor, retainer or similar agreement
- ☐ Unsalaried officer or member of group
- ☒ Sole duty is lobbying
- ☐ Lobbying is only a part of other duties

6. Are you reimbursed for lobbying expenses? Explain which expenses.

- ☒ Yes: $ 80 per day
- ☐ Yes: I am reimbursed for expenses.
- ☐ No: I am not reimbursed for expenses.

Does employer pay any of your lobbying expenses directly? If yes, explain which ones.

Vehicle Rent

7. How long do you expect to lobby for this organization?

☒ Permanent lobbyist ☐ Only during legislative session ☐ Other, Explain:

8. Is your employer a business or trade association or similar organization which lobbies on behalf of its members? If "yes," attach a list showing the name and address of each member who has paid the association fees, dues or other payments over $500 during either of the past two years or is expected to pay over $500 this year.

- ☐ No
- ☐ Yes. However, no member has paid, pays, or is expected to pay over $500.
- ☒ Yes. The list is attached

9. Does your employer have a connected, related or closely affiliated political action committee which will provide funds for you to make political contributions including purchase tickets to fund raising events? If so, list the name of that political action committee.

- ☐ No
- ☒ Yes. Name of the committee is: Gizmo Producers and Marketers PAC

10. If lobbyist is a company, partnership or similar business entity which employs others to perform actual lobbying duties, list name of each person who will lobby. (See WAC 390-20-143 and 144 for instructions.)

N/A

11. Areas of interest. Lobbying is most frequent before legislative committee members or state agencies concerned with following subjects:

CODE	SUBJECT	CODE	SUBJECT
01 ☐	Agriculture	08 ☒	Fiscal
02 ☐	Business and consumer affairs	09 ☐	Higher education
03 ☐	Constitutions and elections	10 ☐	Human services
04 ☐	Education	11 ☐	Labor
05 ☐	Energy and utilities	12 ☐	Law and justice
06 ☐	Environmental affairs - natural resources - parks	13 ☐	Local government
		14 ☐	State government
07 ☐	Financial institutions and insurance	15 ☐	Transportation
		16 ☒	Other - Specify: L&I

Remarks:

CERTIFICATION: I hereby certify that the above is a true, complete and correct statement.

EMPLOYER'S AUTHORIZATION: Confirming the employment authority to lobby described in this registration statement.

12. LOBBYIST'S SIGNATURE — DATE: 1/4/0X

EMPLOYER'S SIGNATURE, NAME TYPED OR PRINTED, AND TITLE: Stanley P. Barnum, President — DATE: 1/6/0X

PUBLIC DISCLOSURE COMMISSION
711 CAPITOL WAY RM 206
PO BOX 40908
OLYMPIA WA 98504-0908
(360) 753-1111
1-877-601-2828

LOBBYIST REGISTRATION

L1

THIS SPACE FOR OFFICE USE

1. Lobbyist Name

First Rate Lobbyist

Permanent Business Address

876 Commercial Building

City: Olympia | State: WA | Zip: 98500-0000

Business Telephone Numbers

Permanent ( )

Temporary (360) 459-2222

Cell Phone or Pager (360) 459-2223

E-Mail Address

frate@aol.com

2. Temporary Thurston County address during legislative session

None

3. Employer's name and address (person or group for which you lobby)

Washington Bank and Trust, 200 Evergreen Plaza Building, Olympia, WA 98502
Atten: Sheila Summers, President & CEO

Employer's occupation, business or description of purpose of organization

Finance

4. Name and address of person having custody of accounts, receipts, books or other documents which substantiate lobbyist reports.

Dorothy Mathews, Accountant, Fist Rate Lobbyists, Same Address as Above

5. What is your pay (compensation) **for lobbying**?

$ 3,000 per Month
(hour, day, month, year)

Other: Explain:

Description of employment (check one or more boxes)

- ☐ Full time employee
- ☐ Part time or temporary employee
- ☒ Contractor, retainer or similar agreement
- ☐ Unsalaried officer or member of group
- ☒ Sole duty is lobbying
- ☐ Lobbying is only a part of other duties

6. Are you reimbursed for lobbying expenses? Explain which expenses.

- ☐ Yes: $ __ _____ per _ _____
- ☒ Yes: I am reimbursed for expenses.
- ☐ No: I am not reimbursed for expenses.

Does employer pay any of your lobbying expenses directly?
If yes, explain which ones.

No

7. How long do you expect to lobby for this organization?

☐ Permanent lobbyist ☒ Only during legislative session ☐ Other, Explain:

8. Is your employer a business or trade association or similar organization which lobbies on behalf of its members? If "yes," attach a list showing the name and address of each member who has paid the association fees, dues or other payments over $500 during either of the past two years or is expected to pay over $500 this year.

☒ No ☐ Yes. However, no member has paid, pays, or is expected to pay over $500.
☐ Yes. The list is attached

9. Does your employer have a connected, related or closely affiliated political action committee which will provide funds for you to make political contributions including purchase tickets to fund raising events? If so, list the name of that political action committee.

☐ No
☒ Yes. Name of the committee is: The Trust Fund

10. If lobbyist is a company, partnership or similar business entity which employs others to perform actual lobbying duties, list name of each person who will lobby. (See WAC 390-20-143 and 144 for instructions.)

David Web, Sam Carlson, Susan Rabinowitz and Casey Malloy

11. Areas of interest. Lobbying is most frequent before legislative committee members or state agencies concerned with following subjects:

CODE	SUBJECT	CODE	SUBJECT
01 ☐	Agriculture	08 ☒	Fiscal
02 ☒	Business and consumer affairs	09 ☐	Higher education
03 ☐	Constitutions and elections	10 ☐	Human services
04 ☐	Education	11 ☐	Labor
05 ☐	Energy and utilities	12 ☐	Law and justice
06 ☐	Environmental affairs - natural resources - parks	13 ☐	Local government
		14 ☐	State government
07 ☒	Financial institutions and insurance	15 ☐	Transportation
		16 ☐	Other - Specify:

Remarks:

CERTIFICATION: I hereby certify that the above is a true, complete and correct statement.

EMPLOYER'S AUTHORIZATION: Confirming the employment authority to lobby described in this registration statement.

12. LOBBYIST'S SIGNATURE — DATE 12/18/0X

EMPLOYER'S SIGNATURE, NAME TYPED OR PRINTED, AND TITLE — DATE

Sheila Summers, President & CEO — 12/18/0X

PUBLIC DISCLOSURE COMMISSION
711 CAPITOL WAY RM 206
PO BOX 40908
OLYMPIA WA 98504-0908
(360) 753-1111
1-877-601-2828

LOBBYIST REGISTRATION

L1

THIS SPACE FOR OFFICE USE

1. Lobbyist Name
AAA Lobbyist

Permanent Business Address
100 Lake Ridge Drive, Suite 300

City: Olympia
State: WA
Zip: 98500-3333

Business Telephone Numbers
Permanent (360) 705-9999
Temporary ( )
Cell Phone or Pager (360) 705-9990

E-Mail Address
alobby@msn.com

2. Temporary Thurston County address during legislative session
Same as Above

3. Employer's name and address (person or group for which you lobby)
Mary McCoy, 2530 2nd Avenue, Seattle, WA 98700-1111

Employer's occupation, business or description of purpose of organization
Lobbyist

4. Name and address of person having custody of accounts, receipts, books or other documents which substantiate lobbyist reports.
Mary McCoy at Above Address

5. What is your pay (compensation) **for lobbying**?
$ 40 per hour (hour, day, month, year)
Other: Explain:

Description of employment (check one or more boxes)
- ☐ Full time employee
- ☐ Part time or temporary employee
- ☒ Contractor, retainer or similar agreement
- ☐ Unsalaried officer or member of group
- ☒ Sole duty is lobbying
- ☐ Lobbying is only a part of other duties

6. Are you reimbursed for lobbying expenses? Explain which expenses.
- ☐ Yes: $ __ _____ per _ _____
- ☐ Yes: I am reimbursed for expenses.
- ☒ No: I am not reimbursed for expenses.

Does employer pay any of your lobbying expenses directly? If yes, explain which ones.
No

7. How long do you expect to lobby for this organization?
☐ Permanent lobbyist ☒ Only during legislative session ☐ Other, Explain:

8. Is your employer a business or trade association or similar organization which lobbies on behalf of its members? If "yes," attach a list showing the name and address of each member who has paid the association fees, dues or other payments over $500 during either of the past two years or is expected to pay over $500 this year.
- ☒ No
- ☐ Yes. However, no member has paid, pays, or is expected to pay over $500.
- ☐ Yes. The list is attached

9. Does your employer have a connected, related or closely affiliated political action committee which will provide funds for you to make political contributions including purchase tickets to fund raising events? If so, list the name of that political action committee.
- ☒ No
- ☐ Yes. Name of the committee is:

10. If lobbyist is a company, partnership or similar business entity which employs others to perform actual lobbying duties, list name of each person who will lobby. (See WAC 390-20 143 and 144 for instructions.)
Sandra Johnson, Ben Simpson

11. Areas of interest. Lobbying is most frequent before legislative committee members or state agencies concerned with following subjects:

CODE	SUBJECT	CODE	SUBJECT
01 ☐	Agriculture	08 ☒	Fiscal
02 ☐	Business and consumer affairs	09 ☐	Higher education
03 ☐	Constitutions and elections	10 ☐	Human services
04 ☐	Education	11 ☐	Labor
05 ☐	Energy and utilities	12 ☐	Law and justice
06 ☐	Environmental affairs - natural resources - parks	13 ☐	Local government
		14 ☐	State government
07 ☐	Financial institutions and insurance	15 ☒	Transportation
		16 ☐	Other - Specify:

Remarks:
Washingtonians for Better Transportation

CERTIFICATION: I hereby certify that the above is a true, complete and correct statement.

EMPLOYER'S AUTHORIZATION: Confirming the employment authority to lobby described in this registration statement.

Reporting as a Lobbyist

L-2 Due Dates: A Lobbyist Monthly Expense Report, PDC Form L-2, is due the 15th of the month and covers activity for the previous calendar month. A report is due regardless of whether you have activity to report, so long as the registration is in force. If there is nothing to report, file a "zero" report. When you terminate your registration, file an L-2 for the final month, or portion of the month in the case of a mid-month termination date.

Electronic Filing of Monthly Lobbyist Reports: To electronically file monthly L-2 reports, go to the PDC webpage, www.pdc.wa.gov, and select the following:

- Filer Resources
- Electronic Filing Options
- Electronic Filing Links – Lobbyists
- Account Login
- Account Signup for **New Filers** or Account Logon for **Returning E-filers**
- **New Filers** Click – Lobbyist
- Select Account Status [choose "previously filed" if you've ever filed an L-2 in any format]
- Complete the personal information template (starred items are mandatory) and create a password.
- Print, sign, and mail the signature authorization and password ID form to the PDC at P. O. Box 40908, Olympia, WA 98504-0908.

At this point, you have been assigned a temporary ID number. You can continue to fill out the L-2 template for electronic filing. The template can be completed incrementally or all at once. Be sure to click the save button at the bottom of the template before you exit the application and before you send the report.

Use the Adobe Acrobat print button to print a copy of the report for your records.

The PDC will hold your e-filed reports in a pending state until you submit your completed signature authorization and password ID form.

For assistance with electronic filing, contact:

Sally Parker at (360) 586-2869 | toll free 1-877-601-2828 | e-mail to sparker@pdc.wa.gov or
Jennifer Hansen at (360) 664-4500 | toll free 1-877-601-2828 | e-mail to jhansen@pdc.wa.gov.

Accrual Basis Reporting: Report expenses and compensation on an accrual basis. That is, report them for the month in which each was incurred or earned, not necessarily when paid or received. (If reported amounts differ from what is actually received from the employer, file an amended report reflecting the correct figures. See page 12.)

Nonreportable Expenditures: By law or administrative rule, certain types of lobbying expenditures are exempt from reporting. They include:

1) unreimbursed personal living and travel expenses, unless they are directly for lobbying;
2) expenses for personal living accommodations (e.g., your home or rented/leased accommodations, including hotel rooms);
3) personal travel expenses to hearings of the legislature* (e.g., meals, beverages, mileage, transportation, vehicle rentals, laundry, parking, toiletry purchases);
4) telephone and facsimile expenses;
5) office expenses, including rent;
6) support staff expenses, including salaries, unless the staffer lobbies; and

7) expenses to produce reports, documents and other communications primarily designed for other purposes and distributed incidentally as part of the lobbying effort.

(*Note: "Hearings of the legislature" means any regular or special session of the state legislature or any publicly announced meeting of a standing, conference, joint or special committee of either house of the legislature.

Travel for other lobbying purposes such as for meetings with individual legislators or staff, state agency hearings or to attend political fund raisers, etc. is reportable.)

If an employer reimburses you for nonreportable expenses, like hotel accommodations, you do NOT need to put this information on your L-2 report. If you receive a flat fee from employers and are expected to pay all lobbying-related expenses out of this amount, you may deduct the amount you paid for nonreportable lobbying expenses before you begin filling out the L-2 form. See "Flat Fee" below.

Line 1 -- Identifying the Lobbyist: On line 1 of the L-2 form, supply the lobbyist's name and full address, as it appears on the registration statement. (If the lobbyist is a lobbying firm, show the firm's name. And, report the compensation and expenses of all individuals listed in line 11 of the L-1 who lobbied on behalf of the firm's employers/clients during the month being reported.)

In the space provided, indicate whether the address given on this L-2 is new or is the same as on the L-1.

Include a daytime telephone number. PDC staff may call you if there are questions regarding your report.

Line 2 -- Identifying the Reporting Period: On line 2, identify the month covered by the report. Remember reports covering a given month's activity are due by the 15th of the following month. For example, January's report must be mailed or hand- carried to PDC no later than February 15.

If the report being filed corrects a previously submitted report, indicate in the space provided the month and year of the amended report. See page 12 for information on filing amended reports.

Attributing Expenses to Employers: Before filling in the expense categories, study the format of the report. The grid layout allows for subtotals for each of the categories (in the Total Amount This Month column), even if you have more than one employer and make reportable expenditures out of your own funds. Assign a column (B, C or D) to each employer. Use additional L-2 forms if you have more than three lobbyist employers. The Total Amount This Month column (on the top page of a multi-page report) must include, by category, all reportable accrued income and expenditures for the month.

If you have more than one employer, you must divide or allocate your lobbying expenses among your employers. If an employer reimburses you directly for expenses, show how much you were reimbursed. Otherwise, estimate each employer's share based on either the percentage of time spent on each employer's effort or the percentage of your total compensation paid by each employer.

Expenditures that cannot fairly be allocated to a specific employer, and those that come out of your own pocket, are disclosed in column A.

Line 3 -- Compensation for Lobbying: Lobbyists employed by the entity for which they lobby usually do not have to pay their lobbying expenses out of their own pocket (i.e., the employer reimburses them, pays a per diem, or directly pays for the expenses through arrangements with vendors or via employer credit cards issued to the lobbyist).

Similarly, many contract lobbyists have agreements with their lobbying employers that obligate the employer to pay actual expenses. It is certainly possible, in either case, that there may be some lobbying-related expenses that the employer will not or cannot pay. Or, the lobbyist may make an expenditure that is not attributable to an employer.

Other contract lobbyists charge a flat fee and pay their expenses out of this sum.

The discussion and examples below explain how to report these various situations. Read this information carefully before filling in a "Compensation" figure on the form.

Salary Plus Expenses: If you made no payments to other lobbyists out of your own pocket, simply put the gross amount (pre-tax dollars) you earned from each employer for lobbying on line 3, columns B, C, or D and put the sum of these figures in the first column. See example on page 30.

If you receive a per diem for personal expenses, it's assumed you will spend the full expense allotment (that is, there will be none left over to add into your compensation), so simply put the full amount earned for compensation on line 3, columns B, C, or D and put the total in the first column. (The reportable expenses paid out of the per diem will be put in the appropriate categories as discussed on pages 22-25.)

With respect to payments to other lobbyists, it must be presumed that such payments are employer-attributable expenses because neither you nor the employer would bring other lobbyists on board if they weren't suppose to aid the lobbying effort. If these payments come out of your pocket, they are deducted from the compensation amount reported on line 3.

If you paid another lobbyist out of your own pocket, put that amount on line 9 in the appropriate employer column(s). The amounts you report earning from each employer (line 3, columns B, C and D) will be the difference between the gross amounts you earned for lobbying that month from each employer/client and the amount listed on line 9 in each of the employer columns.

For example, let's assume you earned $4,000 per month from employer A and $2,000 per month from employer B, and you paid another lobbyist $1,000 to assist you. If the other lobbyist's work benefited employer A, the entire $1,000 is shown on line 9 in that employer's column and the amount of your compensation from that employer on line 3 is $3,000.

If the other lobbyist split his or her time equally between employers A and B, show $500 on line 9 in each of these client's columns. And, on line 3 show your compensation from employer A as $3,500 and from employer B as $1,500.

Whenever you pay another lobbyist and you have multiple lobbying employers, you would apportion the amount paid the other lobbyist to the various employers based on how much time the lobbyist spent on each account or on what percentage of your overall compensation each of the employers pays. However you apportion the funds paid the other lobbyist, your compensation from each employer (line 3, columns B, C and D) is reduced by the amount attributed to each employer for the other lobbyist.

Your out-of-pocket expenses for other lobbyists are the only expenses that impact the amount of compensation you report receiving from your employers. All other unreimbursed or unattributed expenses you made for lobbying are reported in column A on the appropriate line, without any corresponding reduction in compensation.

Example: You purchase a $50 birthday gift for a legislator. You do so because the legislator is a long-time friend, not because of any lobbying strategy. The gift is, nonetheless, reportable on your L-2. Show $50 on line 5, column A, and add that amount to other entertainment expenses attributed to your employers. Put the total in the first column.

For an example of a report showing payment to another lobbyist and an unreimbursed expense, see page 32.

Flat Fee (all expenses paid out of fee): Lobbyists who charge employers a flat fee (that is, employers do not reimburse them for expenses or directly pay expenses incurred on their behalf) forego putting compensation figures on line 3, columns B, C, or D until expenses for each employer have been recorded on the form.

The "compensation" amount received from each employer is actually the amount that is left over after expenses paid from the flat fee have been deducted. However, you do not deduct the amount of contributions you transmit on behalf of a client from the fee. For example, lobbyist Mary McCoy earned $4,000 for lobbying from Washingtonians for Better Transportation (WBT) and WBT gave one $300 contribution during the period that was delivered by McCoy. $4,300 is reported on line 10. McCoy also spent $200 in seminar fees for two lawmakers and paid another lobbyist $400 for services rendered. [McCoy reports receiving $3,400 in compensation.] See reporting example on page 34.

Lobbyists who are paid a flat fee often incur non-reportable as well as reportable expenses. When this happens, the lobbyist's "Total Compensation and Expenses" amount on line 10 is first reduced by the amount of the non-reportable expenses, then the reportable expenses are noted on the form and the compensation figure on line 3 is the difference between the reduced amount on line 10 and the reportable expenses.

For example, a lobbyist is paid $2,000 as a flat fee. Reportable entertainment expenses of $300 and non-reportable expenses of $200 are incurred. The lobbyist reports $1,800 on line 10, $300 on line 5, and $1,500 as compensation on line 3. (It is understood that the aggregate amount reported by the lobbyist for the year will not agree with the amount reported by the employer on the L-3; the difference will be the total amount incurred for non-reportable expenses.)

Occasionally, fee-only lobbyists make lobbying expenditures that are not attributable to an employer; they come out of the lobbyist's own funds. Show these out-of-pocket expenses in column A.

Line 4 -- Personal Expenses: Report nonexempt personal expenses incurred for lobbying activities during the month, whether or not these expenses were reimbursed.

Generally, this will include those expenses you incur for food, beverages, and travel when you make a special trip to meet with legislators or other state officials or employees, or when you make a trip to lobby a state agency.

Personal expenses incurred with respect to "hearings of the legislature" are exempt from reporting, as are all lodging expenses whether in Olympia or elsewhere. See the list of exempt expenses on page 19.

(Note: Lobbyists, who receive no compensation and only make nonreportable personal expenses, whether paid out of their own pocket or by an employer, do not need to file L-2 reports. However, they do need to notify PDC of their situation on the L-1 form.)

Line 5 -- Entertainment, Gratuities, Travel, Seminars: The cumulative value of all entertainment, gifts, travel, seminars or other educational opportunities, or other items of value that are provided to state officials or employees (or member of their immediately family) are reportable on line 5 of the L-2.

The term *"immediate family"* means the spouse or dependent children of the official or employee as well as any other dependent relative who lives in the official's or employee's household.

PDC does not determine what types of items or services are permissible under the Ethics Law for you to give or the official, employee or family member to accept. Depending upon whom you wish to give an item to, contact:

- the Legislative Ethics Board (360/786-7540),
- the Executive Ethics Board (360/664-0871), or
- the Judicial Conduct Commission (360/753-4585).

On line 5 of the L-2, you'll report **all** expenditures incurred for entertainment, gifts, travel, field trips and other excursions, seminars, flowers, candy, mementos, tributes, services and the like provided to legislators, state officials, state employees and members of their immediate family. Attribute each expense to the employer who incurred the expense or on whose behalf you incurred the expense.

It will be necessary for you to itemize, on line 15, all entertainment occasions costing over $25, as well as any field trips and other excursions, enrollment and course fees, travel, lodging and subsistence expenses incurred for or provided to an official, employee or their immediate family members.

Expenditures for lobbying-related entertainment occasions costing $25 or less, and for items other than travel and educational programs are only reported on line 5. They are not itemized elsewhere on the form.

Line 6 -- Contributions: If a lobbyist makes personal contributions to any state or local candidate or political committee, the contributions are reportable in column A on line 6 of the L-2.

In addition, if a lobbyist **transmits or delivers** contributions from another source to any state or local candidate or political committee, including ballot issue committees, the contributions are reportable on line 6 of the L-2.

Contributions delivered or transmitted on behalf of the lobbyist's employer are attributed to that employer in the appropriate column on line 6.

If the lobbyist transmits or delivers contributions from other than his or her lobbyist employers, the amounts of those contributions are aggregated together and put in a column not assigned to any employer. The total of these contributions must be added to the lobbyist's personal contributions and those from employers that were transmitted or delivered by the lobbyist, and the aggregate total of all is shown on line 6 in the first column. See example on page 30.

(Note, if the lobbyist will be transmitting or delivering contributions from other than employers, family members, or an association to which the lobbyist belongs, contact PDC for information on bundling contributions.)

Each contribution exceeding $25, including those delivered or transmitted from non-employers, must be itemized as part of line 16 of the form.

Typical L-2 reportable contributions by lobbyists and their employers include:

- campaign contributions to candidates for statewide, legislative, and local office;
- contributions to political party organizations and other political committees;
- tickets to caucus fund raisers;
- contributions to political committees supporting or opposing a state or local ballot proposition;
- in-kind contributions (e.g., staff assistance, office space, equipment, postage and copying services);
- donation or use of goods or services for less than fair market value;
- donation of auction items; and
- loans to an individual or political committee.

The disclosure law also contains limits on contributions to candidates for state office and many other types of restrictions. See Contribution Limits and Restrictions starting on page 38.

Line 7 -- Advertising and Literature: Include the cost of preparing, printing and mailing advertising, promotional literature, fact books and similar materials.

"Advertising" includes the preparation, printing or manufacture and distribution or dissemination of printed material, broadcasts, and promotional material that are clearly of an advertising nature and have a separate, identifiable cost related to the lobbying effort.

The cost of materials produced primarily for another purpose but used incidentally as part of the lobbying effort are not reportable. Promotional items such as desk sets, calendars, golf balls and similar gifts, even though promotional in nature are included in Item 5. The cost of placing an advertisement in a candidate or political committee publication is reportable as a contribution in Item 6.

If your employer sponsors an advertising campaign addressed to the general public (e.g., radio or TV ads, newspaper ads, billboards, inserts in monthly bills) to influence legislation, including an initiative to the legislature, you may disclose these costs on your L-2 report -- and no other special reporting by the employer would be necessary -- so long as this grass roots campaign is funded with existing employer resources.

If the campaign is partially or fully paid for with funds acquired from sources other than the employer, the primary sponsor of the campaign must keep detailed records of all contributions and expenditures and file grass roots lobbying reports (PDC Form L-6). See discussion of Grass Roots Lobbying on page 9.

Line 8 -- Political Advertising, Public Relations, Telemarketing, Polling, Etc.

If a lobbyist or lobbyist employer makes an expenditure for

- political advertising supporting or opposing a state or local office candidate or ballot measure, or

- public relations, telemarketing, polling or similar activities that directly or indirectly are lobbying-related,

the expenditure must be reported on line 8 in the appropriate column. It will also be itemized as part of line 17 by amount, identity of the vendor or other person paid, and a brief description.

"Political Advertising" includes any advertising displays, newspaper ads, billboards, signs, brochures, articles, tabloids, flyers, letters, radio or television presentations or other means of mass communication, used for the purpose of appealing, directly or indirectly, for votes or for financial or other support in any election campaign.

See page 9 for more information on reporting political advertising, public relations, telemarketing and polling expenses.

Line 9 -- Other Expenses and Services: On line 9, report "other expenses" that would not have been made but for your attempts to influence the passage or defeat of legislation or the adoption or rejection of any agency rule, rate or standard and that are not reported elsewhere on the L-2 form. Include such expenses as:

- miscellaneous personal lobbying expenses;
- meeting rooms, tours;
- charitable donations made at an official's or employee's request;
- payments to other lobbyists hired by you or paid by you from a portion of the funds received from the employer. (If the employer pays other lobbyists directly, that person needs to register separately and you do not report the payments.);
- grass roots lobbying expenditures (if not already accounted for on line 8).

Line 10 -- Total Compensation and Expenses: Compute the total of each column. The figure in the first column on line 10 should equal the sum of columns A, B, C, and D on line 10, and reflect the amounts actually earned and incurred for reportable lobbying activity.

Line 11 -- Employer Names: Give the full name of each employer for whom you are registered. **Show the name exactly as it appears on your registration. DO NOT simply show initials or acronyms.** Be sure to list the employer names in the order that corresponds with the expenses shown in columns B, C and D.

Line 12 -- Subject Matter of Legislation: Describe the subject matter or issue or supply the bill number of the legislation you attempted to influence during the month. Also specify which legislative committee or agency was considering the matter and which employer was represented during your lobbying contacts. Be as specific as possible.

Some lobbyists, with their initial L-2, supply an attached list of bills, issues and committees and then reference this list on subsequent reports. If you use this approach, be sure that you review the list each month to make sure no deletions or additions are in order. <u>The information must be current for the month being reported.</u>

"Legislation" means bills, resolutions, motions, amendments, nominations, and other matters pending or proposed in either house of the state legislature, and includes any other matter that may be the subject of action by either house, or any committee of the Legislature and all bills and resolutions that have passed both houses and are pending approval of the governor.

Line 13 -- Time Spent Lobbying: Of the time you spent lobbying during the month, what percentage of it was used for legislative lobbying? For lobbying state agencies? DO NOT factor in time devoted to non-lobbying activities. Only consider the time you spent lobbying during the reporting period and indicate the percentage for legislative lobbying and for state agency lobbying. For example, if approximately half of your lobbying time was devoted to each, put 50% for both types of lobbying.

Line 14 -- Termination: Each registration is valid until January 11, 2009, unless you terminate it sooner. Complete line 14 only if you wish to terminate your registration for one or more of your employers. Specify the date each termination is effective. See page 3 for information regarding temporarily suspending and reinstating registrations.

Line 15 -- Itemized Entertainment, Travel and Enrollment or Course Fees: Itemize all entertainment occasions costing over $25 and any enrollment and course fees, travel, lodging and subsistence expenses incurred for or provided to an official, employee of their immediate family members. See L-2 Reporting Guide on the next page for a summary of how to report these expenditures.

For each entertainment occasion costing over $25, including expenses for your own participation, show:

- the date of event;
- who attended and the amount attributable to each*;
- a description of the entertainment (plus name and city of where the entertainment occurred);
- the sponsoring employer's identity; and
- the total spent.

(*Note that disclosing the actual amount spent on each person attending an entertainment occasion, or fairly attributing a portion of the overall expense to each participant, has been required since September of 1995.)

L-2 Reporting Guide

For Entertainment, Travel and Educational Expenditures

Typical Expenditures* (Only permitted if receipt could not reasonably be expected to influence the performance of the officer's or employee's official duties.)	Expense Included on Line 5	Expense Itemized on Line 15	Give Copy of L-2 or Memo Report to Elected Official
Entertaining State Officials, Employees or Their Families:			
☐ Any type of entertainment occasion costing <u>$25 or less</u>	Yes	No	No
☐ Breakfast, lunch or dinner for legislator or other state official or employee [singly or in conjunction with family member(s)] and total cost for occasion is:			
a) $25 or less	Yes	No	No
b) More than $25, but $50 or less for legislator/family	Yes	Yes	No
c) More than $25, and amount attributable to legislator/ family is more than $50	Yes	Yes	Yes
☐ Reception for legislators, other officials, staff, association members, etc.	Yes	Yes	See Below**
☐ Tickets to theater, sporting events, etc. costing $50 or less	Yes	Yes	No
☐ Golf outing at which no more than $50 was spent on each official, including any member(s) of the official's family	Yes	Yes	No
Travel-Related Expenditures for Officials, Employees:			
☐ Travel, lodging, meals for office-related appearance or speech at lobbyist employer's annual conference	Yes	Yes	Yes
☐ Travel, lodging, meals for office-related tour of lobbyist employer's manufacturing plant or other facility	Yes	Yes	Yes
Educational Expenditures for Officials, Employees:			
☐ Travel, lodging, meals, tuition to attend seminar sponsored by non-profit organization	Yes	Yes	Yes
Other Lobbying-Related Items:			
☐ Flowers costing any amount to officials, staff and/or family	Yes	No	No
☐ Candy costing $50 or less per official or employee	Yes	No	No
☐ Golf balls, coffee cups or other promotional items	Yes	No	No
☐ Fruit baskets costing $50 or less per official or employee	Yes	No	No
Note: References to employees or staff do not constitute authority to provide impermissible items to regulatory, contracting or purchasing employees.			

*For information on <u>whether an expense is permitted</u> by the Ethics Law, call the Legislative Ethics Board (360/786-7540), the Executive Ethics Board (360/664-0871) or the Judicial Conduct Commission (360/753-4585). For assistance with reporting lobbying expenditures, call PDC (360/753-1111 or toll free 1-877-601-2828).

**If the per person cost for food and beverages is $50 or less <u>and</u> a state elected official is not accompanied by a family member, then no report needs to be given to the official. However, if an elected official attends with a spouse (or other family member) and the combined total for both is over $50, then notice to the official is required. Also, if the cost for food and beverages is over $50 per person expected to attend, then all elected officials in attendance must be provided an L-2 Memo Report or a copy of the appropriate L-2.

Whenever the bill for a lobbying entertainment occasion amounts to over $25, you must itemize the event on line 15, unless all officials, employees and their family members present fully pay their own way and none of the amount you pay is attributable to them. That is, the amount you spent for a dinner, or sporting event tickets or the like only covers your own costs.

If, as part of an entertainment occasion, the actual or prorated cost for food and beverages for a state elected official (either singly or in conjunction with immediate family members) exceeds $50, the official must be given notice of the entertainment. Notice is provided by giving a copy of your L-2 report (showing the food and beverages cost attributable to the official/family) to the official or providing the official with an L-2 Memo Report. See L-2 Memo Report example on page 36.

For details on reporting receptions, review page 7.

Travel: Also itemize, as called for on the form, all expenses associated with providing a state official, employee or a member of their family with travel, lodging, meals, field trips and other excursions, and other travel-related items. Show the following:

- the date of event;
- who attended and the amount attributable to each;
- a description of the event (plus name and city of where the event occurred);
- the sponsoring employer's identity; and
- the total spent.

According to RCW 42.52.010(9)(d) of the Ethics Law, the following types of travel payments are permitted:

> *Payments by a governmental or nongovernmental entity of reasonable expenses incurred in connection with a speech, presentation, appearance, or trade mission made in an official capacity. As used in this subsection, "reasonable expenses" are limited to travel, lodging, and subsistence expenses incurred the day before through the day after the event.*

Contact the appropriate ethics board for more information. See page 26 for telephone numbers.

Enrollment and Course Fees: According to RCW 42.52.010(9)(f), the following types of payments for educational programs are permitted:

> *Payment of enrollment and course fees and reasonable travel expenses attributable to attending seminars and educational programs sponsored by a bona fide nonprofit professional, educational, or trade association, or charitable institution. As used in this subsection, "reasonable expenses" are limited to travel, lodging, and subsistence expenses incurred the day before through the day after the event.*

Again, lobbyists should contact the appropriate ethics board for clarification.

Whenever a lobbyist or lobbyist employer either waives the fees charged other attendees and/or pays the expenses of a legislator, other state official or any state employee to attend any type of occasion permitted by RCW 42.52.010(9)(f), the value of everything provided and cost of expenditures incurred are reported by the lobbyist on line 5 and itemized on line 15.

Notify Officials of Entertainment, Travel and Seminars: If you show a state elected official as having been provided

- food and beverages costing over $50 per occasion, either singly or in conjunction with family members, or
- travel-related expenses or reimbursements, including field trips and other excursions, or
- admission and other costs associated with attending seminars, educational programs or training

provide that official with a copy of your L-2 report or the L-2 Memo Report itemizing the expenditures or benefits granted.

The L-2 Memo Report should be used as an attachment to the L-2 report (assuming the L-2 does not itself show the itemized expense). Do not attach the Memo Report to your L-2 if it simply duplicates detailed information already contained on the L-2.

Keep in mind that the Public Disclosure Commission has determined that **entertainment expenses must be reported at full value.** That is, if the actual cost of an official's meal is $60, the official must be given notice of the expense even if the official gives you $10 or more toward the bill (under the mistaken impression that this would bring the expense below the over-$50 threshold and the official would then not be required to report receipt of the meal on his/her F-1 statement).

When the actual food and beverage costs attributable to an official, employee, and/or their family members are over $50, only if the official, employee or family member pays the full amount of food and beverage costs attributable to him or her is no reporting required on his or her F-1.

Typically, entertainment, travel and enrollment and course fee expenditures include, but are not limited to, the following:

- meals and refreshments purchased for legislators, state officials and staff (also include your own expenses related to this entertainment);
- tickets to sporting events or theater performances;
- entertainment sponsored jointly with other lobbyists (report your share of the overall expense);
- home entertainment, dinners;
- golf outings;
- transportation, lodging and other travel-related costs for legislators, legislative staff, state officials, state employees and their families;
- company vehicle or air transport provided legislators, officials, legislative staff or other employees;
- Tuition, fees, travel, lodging and subsistence costs associated with a legislator, legislative staff, state official or employee attending a seminar or other training.

When a lobbyist draws upon the resources of the members of an association (or any other employer organization) to provide any of the above items, benefits and services, the lobbyist must report the value of the resources utilized and the identity of the member(s) who made them available.

Line 16 -- Itemized Contributions: Total contribution figures are included on line 6 on the front of the form. In this section, itemize each contribution that was over $25 and was given to:

- a candidate for state or local office or a committee supporting or opposing a candidate for one of these offices;
- a local or state official or employee or a committee supporting or opposing a state official or employee;
- a legislative caucus committee;
- a political party committee;
- a political committee supporting or opposing a state or local ballot measure; or
- a grass roots lobbying campaign.

Provide all the information requested and use additional pages, if necessary. **See discussion of "Contribution Limits and Restrictions" beginning on page 38.**

If the lobbyist transmits or delivers a contribution from one of his or her employers and that contribution is over $25, it is itemized on line 16, reported in that employer's column on line 6 and built into the total column for line 6.

If a lobbyist transmits or delivers a contribution from a source other than a lobbyist employer and that contribution is over $25, it must be itemized on line 16 of the L-2, reported on the front of the L-2 in a column not assigned to any employer, and included in the overall contribution total on line 6. This includes contributions that the lobbyist transmits or delivers from the employer's PAC.

However, if the lobbyist does not transmit or deliver a contribution from the employer's PAC, but is aware that the PAC made contributions during the lobbyist's reporting period, the lobbyist is not required to report these contributions in detail; he or she simply notes the name of the PAC in the space provided at the bottom of line 16.

If the employer directly makes a contribution of over $100 to a state or local candidate or political committee and the lobbyist was not involved in the process, the lobbyist has no obligation to report the contribution. Nevertheless, the lobbyist may report the contribution on the L-2. If this is done, the lobbyist employer is relieved of reporting this contribution on an L-3c report. (If the employer uses general fund dollars to make the contribution and it was not reported by the lobbyist, the employer will have to file an L-3c if the contribution was over $100. If the employer used PAC funds, the contribution would be reported on the committee's regular campaign disclosure report.)

Notify Recipients of Contributions: If you make a personal contribution, or you transmit or deliver a contribution from another source, to any

- local or state candidate
- local or state elected official
- local or state officer or employee
- political committee supporting or opposing any local or state ballot proposition

then you must give the recipient a copy of the L-2 report on which the contribution appears or provide notice by using an L-2 Memo Report that itemizes the contribution. RCW 42.17.172.

The L-2 Memo Report should also be used as an attachment to the L-2 report (assuming the L-2 does not itself show the itemized contribution). Do not attach the Memo Report to your L-2 if it simply duplicates contributions already itemized on line 16 of the L-2.

See example of a completed L-2 Memo Report on page 37.

Line 17 -- Itemized Expenditures for Political Advertising, Public Relations, Telemarketing, Polling, Etc. Any expenditures of this nature that were made during the reporting period must be itemized on a separate sheet and attached to the L-2 report. Give the amount, vendor or person receiving payments and a brief description of the activity if you or your employer made expenditures for:

- political advertising supporting or opposing a state or local candidate or ballot measure; or
- public relations, telemarketing, polling or similar activities that directly or indirectly are intended, designed or calculated to influence legislation.

The total of these types of expenditures are shown in the appropriate columns on line 8 of the L-2. Also see page 8 for more information.

Line 18 -- Itemized "Other Expenses": Any time an expense is listed on line 9 on the front of the form, it must be itemized showing the date of the expense, whom the expense was made to, which employer was benefited or on whose behalf the expense was incurred, and the amount spent. (Remember, some lobbying expenses are not reportable. See page 19 for a list of these expenses.)

PUBLIC DISCLOSURE COMMISSION
711 CAPITOL WAY RM 206
PO BOX 40908
OLYMPIA WA 98504-0908
(360) 753-1111
1-877-601-2828

L2
11/95

PDC OFFICE USE

Lobbyist Monthly Expense Report

(as required by Chapter 397, 1995 Session Laws)

1. Lobbyist Name: John Q. Jones

Mailing Address: 301 Adams Street

City: Anyplace | State: WA | Zip + 4: 94800-0000

New Address? ☐ Yes ☒ No

2. This report is for the period January (Month) 200X (Year)

This report corrects or amends the report for _____ (Month) _____ (Year)

Business Telephone: (360) 753-1111

ALL COMPLETE THIS PART			COMPLETE IF YOU HAVE MORE THAN ONE EMPLOYER		
Include all reportable expenditures by lobbyist and lobbyist's employer for or on behalf of the lobbyist incurred during the reporting period			Amount attributed to each employer		
Expense Category	TOTAL AMOUNT THIS MONTH All employers plus own expense (Columns a + b + c + d and attached pages)	Amounts paid from lobbyist's own funds, not reimbursed or attributed to an employer. Column A	Employer No. 1 Column B	Employer No. 2 Column C	Employer No. ___ Column D
3. COMPENSATION earned from employer for lobbying this period (salary, wages, retainer)	$ 3,000		$ 2,000	$ 1,000	$
4. PERSONAL EXPENSES for travel, food and refreshments	0	$	0	0	
5. ENTERTAINMENT, GRATUITIES, TRAVEL, SEMINARS for state officials, employees, their families (See #15)	3,460		3,385	75	
6. CONTRIBUTIONS to elected officials, candidates and political committees (See #16)	350			200	150
7. ADVERTISING, PRINTING, INFORMATIONAL LITERATURE	0				
8. POLITICAL ADS, PUBLIC RELATIONS, POLLING, TELEMARKETING, ETC. (See #17)	360		360		
9. OTHER EXPENSES AND SERVICES (See #18)	0				
10. TOTAL COMPENSATION AND EXPENSES INCURRED THIS MONTH	$ 7,170	$ 0	$ 5,745	$ 1,275	$ 150

(Attach additional page(s) if you lobby for more than three employers.)

11. EMPLOYERS' NAMES
No. 1 (B) Association of Gizmo Manufacturers
No. 2 (C) XYZ Company
No. ___ (D)

12. Subject matter of proposed legislation or other legislative activity or rulemaking the lobbyist was supporting or opposing.

Subject Matter, Issue or Bill No.	Legislative Committee or State Agency Considering Matter	Employer Represented
SB 307	Senate Economic Development and Labor Com.	Gizmo Man. Assn.
SB 412	Senate Financial Inst. and Insurance	XYZ Company

☐ Continued on attached pages

13. Of the time spent lobbying, what percentage was devoted to lobbying: the Legislature 100% State Agencies _____%.

14. TERMINATION: (COMPLETE THIS ITEM ONLY IF YOU WISH TO TERMINATE YOUR REGISTRATION)

Date registration ends: Employer's name:

I understand that an L-2 report is required for any month or portion thereof in which I am a registered lobbyist. I also understand that once I have terminated my registration, I must file a new registration prior to lobbying for that employer in the future. All registrations terminate automatically on the second Monday in January of each odd numbered year.

CERTIFICATION

I certify that this report is true and complete to the best of my knowledge.	LOBBYIST SIGNATURE	DATE 2/15/0X

CONTINUE ON REVERSE SIDE

Lobbyist Name
John Q. Jones

Reporting Period January (Month) 200X (Year)

15. Itemize all of the following expenditures that were incurred by lobbyist or lobbyist employer(s) for legislators, state officials, state employees and members of their immediate families. **Show the actual amount incurred for each individual or the amount fairly attributed to each.**
- Entertainment expenditures exceeding $25 per occasion (including lobbyist's expense) for meals, beverages, tickets, passes, or for other forms of entertainment.
- Travel, lodging and subsistence expenses in connection with a speech, presentation, appearance, trade mission, seminar or educational program.
- Enrollment and course fees in connection with a seminar or educational program.

Lobbyists must provide an elected official with a copy of the L-2 or Memo Report if the lobbyist reports: 1) spending on one occasion over $50 for food or beverages for the official and/or his or her family member(s); or 2) providing travel, lodging, subsistence expenses or enrollment or course fees for the official and, if permitted, the official's family.

Date	Names of all Persons Entertained or Provided Travel, etc.	Description, Place, etc.	Sponsoring Employer	Amount
1/16/0X	Senator Stevens ($25), Rep. Marshall ($25), Self ($25)	Dinner, Sutters, Olympia	XYZ Company	$ 75
1/27/0X	Rep. Hollis (speech at annual convention)	Travel, Meals, Lodging (2 days) Spokane, WA	Gizmo Manf. Assn.	385
1/31/0X	Leg. Reception for 200. Per person cost- $15. Food/Beverages per person cost- $10; List of attendees attached.	Capitol City Hotel	Gizmo Manf. Assn.	3,000
N/A	Total expenses itemized on attached Memo Reports →			0

☐ Continued on attached pages.

16. If a monetary or in-kind contribution exceeding $25 was given or transmitted by the lobbyist to any of the following, itemize the contribution below or on a Memo Report: local and state candidates or elected officials; local and state officers or employees; political committees supporting or opposing any candidate, elected official, officer or employee or any local or state ballot proposition. If a contribution exceeding $25 was given to the following, itemize the contribution below: a caucus political committee; a political party; or a grass roots lobbying campaign.

Date	Name of Individual or Committee Receiving Contribution	Source of Contribution	Amount
1/16/0X	Citizens for Initiative 000	XYZ Company	$ 200
1/26/0X	Independent Party (Non-Exempt Account)	Mary Jones (Mother)	150
N/A	Total contributions itemized on attached Memo Reports →		0

If contributions were made directly by a political action committee associated, affiliated or sponsored by your employer, show name of the PAC below. (Information reported by PAC on C-4 report need not be again included in this L-2 report.)

☐ Continued on attached pages. PAC Name: Gizmo Producers and Marketers PAC

17. Expenditures for: a) political advertising supporting or opposing a state or local candidate or ballot measure; or b) public relations, telemarketing, polling or similar activities that directly or indirectly are lobbying-related must be itemized by amount, vendor or person receiving payment, and a brief description of the activity. Itemize each expenditure on an attached page that also shows lobbyist name and report date. Put the aggregate total of these expenditures on line 8.

18. Payments by the lobbyist for other lobbying expenses and services, including payments to subcontract lobbyists, expert witnesses and others retained to provide lobbying services or assistance in lobbying and payments for grass roots lobbying campaigns (except advertising/printing costs listed in Item 7).

Date	Recipient's Name and Address	Employer for Whom Expense was Incurred	Amount
			$

PUBLIC DISCLOSURE COMMISSION
711 CAPITOL WAY RM 206
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OLYMPIA WA 98504-0908
(360) 753-1111
1-877-601-2828

L2
11/95

PDC OFFICE USE

Lobbyist Monthly Expense Report

(as required by Chapter 397, 1995 Session Laws)

1. Lobbyist Name: First Rate Lobbyists

Mailing Address: 876 Commercial Building

City: Olympia | State: WA | Zip + 4: 98500-0000

New Address? ☐ Yes ☒ No

2. This report is for the period March (Month) 200X (Year)

This report corrects or amends the report for _____ (Month) _____ (Year)

Business Telephone (360) 459-2222

ALL COMPLETE THIS PART			COMPLETE IF YOU HAVE MORE THAN ONE EMPLOYER		
Include all reportable expenditures by lobbyist and lobbyist's employer for or on behalf of the lobbyist incurred during the reporting period			Amount attributed to each employer		
Expense Category	TOTAL AMOUNT THIS MONTH All employers plus own expense (Columns a + b + c + d and attached pages)	Amounts paid from lobbyist's own funds, not reimbursed or attributed to an employer. Column A	Employer No. 1 Column B	Employer No. 2 Column C	Employer No. 3 Column D
3. COMPENSATION earned from employer for lobbying this period (salary, wages, retainer)	$ 5,500		$ 1,000	$ 1,500	$ 3,000
4. PERSONAL EXPENSES for travel, food and refreshments	0	$			
5. ENTERTAINMENT, GRATUITIES, TRAVEL, SEMINARS for state officials, employees, their families (See #15)	230	50	0	180	0
6. CONTRIBUTIONS to elected officials, candidates and political committees (See #16)	300	0	50	200	50
7. ADVERTISING, PRINTING, INFORMATIONAL LITERATURE	0				
8. POLITICAL ADS, PUBLIC RELATIONS, POLLING, TELEMARKETING, ETC. (See #17)	0				
9. OTHER EXPENSES AND SERVICES (See #18)	500	0	0	500	0
10. TOTAL COMPENSATION AND EXPENSES INCURRED THIS MONTH	$ 6530	$ 50	$ 1,050	$ 2,380	$ 3,050

(Attach additional page(s) if you lobby for more than three employers.)

11. EMPLOYERS' NAMES
No. 1 (B) ABC Corporation
No. 2 (C) Financial Consultants Association
No. 3 (D) Washington Bank and Trust

12. Subject matter of proposed legislation or other legislative activity or rulemaking the lobbyist was supporting or opposing.

Subject Matter, Issue or Bill No.	Legislative Committee or State Agency Considering Matter	Employer Represented
Environment	Senate Environment & Natural Resources	ABC Corporation
Taxes	Dept. of Revenue	Finan. Consultants
Econ. Incentives	Leg. Economic Development Committees	WA Bank & Trust

☐ Continued on attached pages

13. Of the time spent lobbying, what percentage was devoted to lobbying: the Legislature 80% State Agencies 20%.

14. TERMINATION: (COMPLETE THIS ITEM ONLY IF YOU WISH TO TERMINATE YOUR REGISTRATION)

Date registration ends: Employer's name:

I understand that an L-2 report is required for any month or portion thereof in which I am a registered lobbyist. I also understand that once I have terminated my registration, I must file a new registration prior to lobbying for that employer in the future. All registrations terminate automatically on the second Monday in January of each odd numbered year.

CERTIFICATION

I certify that this report is true and complete to the best of my knowledge.	LOBBYIST SIGNATURE	DATE
		4/12/0X

Lobbyist Name
First Rate Lobbyists

Reporting Period March (Month) 200X (Year)

15. Itemize all of the following expenditures that were incurred by lobbyist or lobbyist employer(s) for legislators, state officials, state employees and members of their immediate families. **Show the actual amount incurred for each individual or the amount fairly attributed to each.**
- Entertainment expenditures exceeding $25 per occasion (including lobbyist's expense) for meals, beverages, tickets, passes, or for other forms of entertainment.
- Travel, lodging and subsistence expenses in connection with a speech, presentation, appearance, trade mission, seminar or educational program.
- Enrollment and course fees in connection with a seminar or educational program.

Lobbyists must provide an elected official with a copy of the L-2 or Memo Report if the lobbyist reports: 1) spending on one occasion over $50 for food or beverages for the official and/or his or her family member(s); or 2) providing travel, lodging, subsistence expenses or enrollment or course fees for the official and, if permitted, the official's family.

Date	Names of all Persons Entertained or Provided Travel, etc.	Description, Place, etc.	Sponsoring Employer	Amount
3/5/0X	Senator Smith, her spouse and self ($60 each)	Dinner, Steak House, Seattle	Finan. Conslt. Assn.	$ 180
N/A	Total expenses itemized on attached Memo Reports			0

☐ Continued on attached pages.

16. If a monetary or in-kind contribution exceeding $25 was given or transmitted by the lobbyist to any of the following, itemize the contribution below or on a Memo Report: local and state candidates or elected officials; local and state officers or employees; political committees supporting or opposing any candidate, elected official, officer or employee or any local or state ballot proposition. If a contribution exceeding $25 was given to the following, itemize the contribution below: a caucus political committee; a political party; or a grass roots lobbying campaign.

Date	Name of Individual or Committee Receiving Contribution	Source of Contribution	Amount
3/15/0X	Fund Raiser for "Yes on Incorporation Now"	ABC Corporation WA Bank and Trust	$ 50 50
3/20/0X	Independent Party	Finan. Conslt. Assn.	200
N/A	Total contributions itemized on attached Memo Reports		0

If contributions were made directly by a political action committee associated, affiliated or sponsored by your employer, show name of the PAC below. (Information reported by PAC on C-4 report need not be again included in this L-2 report.)

☐ Continued on attached pages. PAC Name: _____

17. Expenditures for: a) political advertising supporting or opposing a state or local candidate or ballot measure; or b) public relations, telemarketing, polling or similar activities that directly or indirectly are lobbying-related must be itemized by amount, vendor or person receiving payment, and a brief description of the activity. Itemize each expenditure on an attached page that also shows lobbyist name and report date. Put the aggregate total of these expenditures on line 8.

18. Payments by the lobbyist for other lobbying expenses and services, including payments to subcontract lobbyists, expert witnesses and others retained to provide lobbying services or assistance in lobbying and payments for grass roots lobbying campaigns (except advertising/printing costs listed in Item 7).

Date	Recipient's Name and Address	Employer for Whom Expense was Incurred	Amount
3/31/0X	Terry Mitchel PO Box 84, Olympia, WA (For lobbying assistance)	Financial Consultants Assn.	$ 500

☐ Continued on attached page.

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(360) 753-1111
1-877-601-2828

L2
11/95

PDC OFFICE USE

Lobbyist Monthly Expense Report

(as required by Chapter 397, 1995 Session Laws)

1. Lobbyist Name: Mary McCoy

Mailing Address: 2530 2nd Avenue

City: Seattle | State: WA | Zip + 4: 98700-1111

New Address? ☒ Yes ☐ No

2. This report is for the period February (Month) 200X (Year)

This report corrects or amends the report for ____ (Month) ____ (Year)

Business Telephone: (206) 786-1412

ALL COMPLETE THIS PART			COMPLETE IF YOU HAVE MORE THAN ONE EMPLOYER		
Include all reportable expenditures by lobbyist and lobbyist's employer for or on behalf of the lobbyist incurred during the reporting period			Amount attributed to each employer		
Expense Category	**TOTAL AMOUNT THIS MONTH All employers plus own expense (Columns a + b + c + d and attached pages)**	**Amounts paid from lobbyist's own funds, not reimbursed or attributed to an employer. Column A**	**Employer No. 1 Column B**	**Employer No. ___ Column C**	**Employer No. ___ Column D**
3. COMPENSATION earned from employer for lobbying this period (salary, wages, retainer)	$ 3,400		$ 3,400	$	$
4. PERSONAL EXPENSES for travel, food and refreshments	0	$ 0	0		
5. ENTERTAINMENT, GRATUITIES, TRAVEL, SEMINARS for state officials, employees, their families (See #15)	200	0	200		
6. CONTRIBUTIONS to elected officials, candidates and political committees (See #16)	375	75	300		
7. ADVERTISING, PRINTING, INFORMATIONAL LITERATURE	0	0	0		
8. POLITICAL ADS, PUBLIC RELATIONS, POLLING, TELEMARKETING, ETC. (See #17)	0	0	0		
9. OTHER EXPENSES AND SERVICES (See #18)	400		400		
10. TOTAL COMPENSATION AND EXPENSES INCURRED THIS MONTH	$ 4,375	$ 75	$ 4,300	$	$

(Attach additional page(s) if you lobby for more than three employers.)

11. EMPLOYERS' NAMES
No. 1 (B) Washingtonians for Better Transportation (WBT)
No. ___ (C)
No. ___ (D)

12. Subject matter of proposed legislation or other legislative activity or rulemaking the lobbyist was supporting or opposing.

Subject Matter, Issue or Bill No.	Legislative Committee or State Agency Considering Matter	Employer Represented
Budget	Ways and Means, both Houses	WBT

☐ Continued on attached pages

13. Of the time spent lobbying, what percentage was devoted to lobbying: the Legislature 100% State Agencies _____%.

14. TERMINATION: (COMPLETE THIS ITEM ONLY IF YOU WISH TO TERMINATE YOUR REGISTRATION)

Date registration ends: Employer's name:

I understand that an L-2 report is required for any month or portion thereof in which I am a registered lobbyist. I also understand that once I have terminated my registration, I must file a new registration prior to lobbying for that employer in the future. All registrations terminate automatically on the second Monday in January of each odd numbered year.

CERTIFICATION

I certify that this report is true and complete to the best of my knowledge.	LOBBYIST SIGNATURE	DATE
		3/14/0X

Lobbyist Name
Mary McCoy

Reporting Period February (Month) 200X (Year)

15. Itemize all of the following expenditures that were incurred by lobbyist or lobbyist employer(s) for legislators, state officials, state employees and members of their immediate families. **Show the actual amount incurred for each individual or the amount fairly attributed to each.**
- Entertainment expenditures exceeding $25 per occasion (including lobbyist's expense) for meals, beverages, tickets, passes, or for other forms of entertainment.
- Travel, lodging and subsistence expenses in connection with a speech, presentation, appearance, trade mission, seminar or educational program.
- Enrollment and course fees in connection with a seminar or educational program.

Lobbyists must provide an elected official with a copy of the L-2 or Memo Report if the lobbyist reports: 1) spending on one occasion over $50 for food or beverages for the official and/or his or her family member(s); or 2) providing travel, lodging, subsistence expenses or enrollment or course fees for the official and, if permitted, the official's family.

Date	Names of all Persons Entertained or Provided Travel, etc.	Description, Place, etc.	Sponsoring Employer	Amount
2/11/0X	Senator Bill Calhoun Chair, Trans. Comm.	Admission to Trans. Symposium	WBT	$ 100
2/11/0X	Rep. Susan Lawrence Chair, Trans. Committee	Admission to Trans. Symposium	WBT	100
N/A	Total expenses itemized on attached Memo Reports →			0

☐ Continued on attached pages.

16. If a monetary or in-kind contribution exceeding $25 was given or transmitted by the lobbyist to any of the following, itemize the contribution below or on a Memo Report: local and state candidates or elected officials; local and state officers or employees; political committees supporting or opposing any candidate, elected official, officer or employee or any local or state ballot proposition. If a contribution exceeding $25 was given to the following, itemize the contribution below: a caucus political committee; a political party; or a grass roots lobbying campaign.

Date	Name of Individual or Committee Receiving Contribution	Source of Contribution	Amount
2/26/0X	Save Our Future (Grass Roots Lobbying Committee)	Washingtonians for Better Transportation	$ 300
N/A	Total contributions itemized on attached Memo Reports →		0

If contributions were made directly by a political action committee associated, affiliated or sponsored by your employer, show name of the PAC below. (Information reported by PAC on C-4 report need not be again included in this L-2 report.)

☐ Continued on attached pages. PAC Name: _____

17. Expenditures for: a) political advertising supporting or opposing a state or local candidate or ballot measure; or b) public relations, telemarketing, polling or similar activities that directly or indirectly are lobbying-related must be itemized by amount, vendor or person receiving payment, and a brief description of the activity. Itemize each expenditure on an attached page that also shows lobbyist name and report date. Put the aggregate total of these expenditures on line 8.

18. Payments by the lobbyist for other lobbying expenses and services, including payments to subcontract lobbyists, expert witnesses and others retained to provide lobbying services or assistance in lobbying and payments for grass roots lobbying campaigns (except advertising/printing costs listed in Item 7).

Date	Recipient's Name and Address	Employer for Whom Expense was Incurred	Amount
2/28/0X	AAA Lobbyists (For lobbying assistance)	Washingtonians for Better Transportation	$ 400

☐ Continued on attached page.

PUBLIC DISCLOSURE COMMISSION
711 CAPITOL WAY
RM 206
PO BOX 40908
OLYMPIA WA 98504-0908
(360) 753-1111
1-877-601-2828

L-2 Memo Report

9/95

Instructions: This Memo Report may be used by a lobbyist to notify a state elected official or other recipient of contributions, meals, travel expenses or educational benefits that have been provided during the preceding calendar month. The specific list of persons to whom a copy of this report must be delivered is shown below in the "Contributions" and "Meals, Travel, Seminars" sections. If the expenditures disclosed on this Memo Report do not also appear on the lobbyist's L-2 Report, a copy of this Memo Report must accompany the L-2 filing. See L-2 instruction manual for further details.

PDC OFFICE USE

TO: **Senator Susan Smith**
Recipient's Name*

FROM: **First Rate Lobbyists**
Lobbyist's Name

876 Commercial Building
Mailing Address

Olympia	**WA**	**98500-0000**
City	State	Zip + 4

This report is for the period **March** (Month) **200X** (Year)

This report corrects or amends the report for _____ (Month) _____ (Year)

Business Telephone **(360) 459-2222**

CONTRIBUTIONS to state or local candidate, elected official, or employee, legislative staff person or ballot issue committee.

Date Made	Amount or Value	Description (if in-kind)	Source of Contribution (Employer's Name or Own Funds)
	$		

MEALS, TRAVEL, SEMINARS to a state elected official, including a legislator, or members of the official's immediate family. Disclose: a) expenditures totaling over $50 on one occasion for food or beverages for the official and/or the official's family; or b) expenditures for providing permissible travel, lodging, subsistence expenses or enrollment or course fees for the official and the official's family.

Date Given	Amount or Value	Description	Source of Gift (Employer's Name or Own Funds)	Recipient (if family member)
3/5/0X	**$ 120**	**Dinner for Senator Smith & Spouse**	**Financial Consultants Assn.**	

Lobbyist's Signature

4/12/0X
Date

***Recipients of Contributions** will report receipt of a cash donation on a C-3 report or in-kind on a Schedule B to the C-4 report; **recipients of meals, travel and seminars** will report receipt of these items on their annual F-1 statement.

PUBLIC DISCLOSURE COMMISSION
711 CAPITOL WAY
RM 206
PO BOX 40908
OLYMPIA WA 98504-0908
(360) 753-1111
1-877-601-2828

L-2 Memo Report

9/95

Instructions: This Memo Report may be used by a lobbyist to notify a state elected official or other recipient of contributions, meals, travel expenses or educational benefits that have been provided during the preceding calendar month. The specific list of persons to whom a copy of this report must be delivered is shown below in the "Contributions" and "Meals, Travel, Seminars" sections. If the expenditures disclosed on this Memo Report do not also appear on the lobbyist's L-2 Report, a copy of this Memo Report must accompany the L-2 filing. See L-2 instruction manual for further details.

PDC OFFICE USE

TO: **Citizens for Initiative 000**
Recipient's Name*

FROM: **John Q. Jones**
Lobbyist's Name

301 Adams Street
Mailing Address

Anyplace	**WA**	**94800-0000**
City	State	Zip + 4

This report is for the period **January** (Month) **200X** (Year)

This report corrects or amends the report for _____ (Month) _____ (Year)

Business Telephone **(360) 753-1111**

CONTRIBUTIONS to state or local candidate, elected official, or employee, legislative staff person or ballot issue committee.

Date Made	Amount or Value	Description (if in-kind)	Source of Contribution (Employer's Name or Own Funds)
1/16/0X	**$ 200**		**XYZ Company**

MEALS, TRAVEL, SEMINARS to a state elected official, including a legislator, or members of the official's immediate family. Disclose: a) expenditures totaling over $50 on one occasion for food or beverages for the official and/or the official's family; or b) expenditures for providing permissible travel, lodging, subsistence expenses or enrollment or course fees for the official and the official's family.

Date Given	Amount or Value	Description	Source of Gift (Employer's Name or Own Funds)	Recipient (if family member)
	$			

Lobbyist's Signature

2/15/0X
Date

***Recipients of Contributions** will report receipt of a cash donation on a C-3 report or in-kind on a Schedule B to the C-4 report; **recipients of meals, travel and seminars** will report receipt of these items on their annual F-1 statement.

Contribution Limits and Restrictions: Lobbyists needing detailed information about the restrictions contained in the law's campaign financing provisions should contact PDC at (360) 753-1111, toll free 1-877-601-2828. Below is some basic information.

Type of Candidate	Contribution Limit
Legislative Candidate	$700/primary
County Office Candidate*	$700/general

State Executive Candidate	$1,400/primary
Judicial Candidate	$1,400/general
Port Commissioner Candidate*	

*limit triggered by more than 200,000 registered voters in the county or port district as of the last general election – see PDC contribution limits chart for list of affected jurisdictions

No contributor – except an individual, bona fide party or caucus political committee – may give in the aggregate more than the following to:

Legislative Caucus Committee	$700 per calendar year
Bona Fide Political Party:	
State Committee	$3,500 per calendar year*
County Central Committee	$3,500 per calendar year*
Legislative District Committee	$3,500 per calendar year*

*Note that these limits apply to contributions given to the party committee's non-exempt, hard money account. All contributors may give an unlimited amount to a party committee's exempt, soft money account. Use a separate check to make soft money contributions (i.e., do not combine hard and soft money contributions in the same check). Soft money contributions must be made payable to "Exempt Account" or otherwise clearly state the funds are to be used for "Exempt Activities."

Deadlines for Contributions: Contributions given to a candidate subject to limits with respect to the primary election may be made up to 30 days after the date of the primary if the candidate loses the primary and the candidate's authorized committee has insufficient funds to pay primary debts outstanding as of the date of the primary. No general election contribution is permitted after November 30 of the election year.

Separate Limits: Each of your lobbyist employers has a separate contribution limit unless the employer:

1) controls a political committee as described in RCW 42.17.660(1);
2) is affiliated with another entity for limit purposes under RCW 42.17.660(2) and WAC 390-16-309;
3) exerts "direction or control" over another person's contribution as set out in RCW 42.17.670;
4) receives "direction or control" from other person with respect to a contribution; or
5) is prohibited from contributing to state office candidates under RCW 42.17.640(11).

See "Affiliated Entities" on page 40. "Direction or Control of Another's Contribution" on page 39 and "Prohibited Contributions" below.

In addition, each lobbyist has his or her own personal contribution limit for each state office candidate, so long as the lobbyist does not exercise direction or control over someone else's contributions) and has no limit with respect to caucus and party committees.

Each lobbying firm is entitled to a separate limit assuming it 1) does business in Washington state, 2) is not affiliated with another entity for contribution limit purposes, and 3) neither exerts nor receives "direction or control" with respect to a contribution subject to limits.

Prohibited Contributions: The following entities may NOT contribute to candidates for state office:

1) corporations and business entities not doing business in Washington state;
2) labor unions with fewer than ten members who reside in Washington state; and
3) political committees that, during the 180 days prior to making a contribution, have not received

contributions of $10 or more from at least 10 persons registered to vote in Washington state.

Collaboration: Expenditures made in cooperation, consultation or concert with, or at the request or suggestion of, a candidate, political committee or their agents are considered in-kind contributions to the candidate or committee and are subject to any applicable limits.

Reproduction of Candidate Ads: Persons making expenditures to disseminate, distribute or republish all or a portion of a political ad prepared by a candidate, political committee or their agents have made a contribution to the candidate or committee and the donation is subject to any applicable limits.

Session Freeze: During the legislative session, the 30 days before session, and during any special session, any legislator or state executive office holder (or person employed by or acting on behalf of one or more of these officials) is prohibited from soliciting or accepting contributions:

- for any candidate for state or local office;
- to a public office fund;
- to retire a campaign debt;
- for a political committee, including a caucus political committee or party, if the contributions are used for the benefit of incumbent state officials or known candidates (WAC 390-17-400).

Further, since caucus political committees act on behalf of legislators, caucus committee personnel also are prohibited from soliciting or accepting contributions for the purposes mentioned above and further explained in WAC 390-17-400.

During the freeze period, an official and those employed by him or her may solicit and accept contributions on behalf of a nonprofit charity.

Bundling: Only <u>individuals</u> may be intermediaries for contributions to candidates and political committees. All lobbyists may transmit contributions from their employers. However, a lobbyist employer that is a business, union, association, PAC or other entity is prohibited from collecting contributions from two or more sources and transmitting those contributions to the intended recipient.

Intermediary: An individual who transmits a contribution on behalf of anyone -- <u>except his or her employer, immediate family member and association to which he or she belongs</u> -- becomes an **intermediary** and must disclose to the recipient his or her full name, street address, occupation, name of employer and, if self-employed, place of business <u>and</u> the same information for the contributor. (For example, if a lobbyist delivers a contribution from a PAC that is not the lobbyist's employer -- even though the PAC may be affiliated with the employer -- the lobbyist is an **intermediary** and must supply the recipient with the information noted above.)

Direction or Control of Another's Contribution: If an intermediary or conduit for a contribution originating from another source exercises any "direction or control" over the choice of the recipient candidate or state official, the contribution is considered to be by <u>both</u> the original contributor and the conduit or intermediary.

By rule (WAC 390-20-148), the Commission has determined that a lobbyist has exercised "direction or control" over an employer's contribution if the lobbyist:

1) officially decides who is to receive a contribution from the employer or the employer's political committee; or

2) has the ability to execute or authorize payment of a contribution by the employer or the employer's PAC.

Lobbyists who only make <u>recommendations</u> regarding employer contributions would not be exercising "direction or control" over the contribution.

Written Instrument: Monetary contributions exceeding $70 made by individuals, associations, unions, and businesses must be by written instrument. All PAC monetary contributions must be by written instrument.

No Reimbursement or Salary Increase: No one may be reimbursed directly or indirectly by anyone else for a contribution to a candidate, political committee or political party. **(That is, lobbyists may <u>not</u> be reimbursed for contributions they make; if lobbyist employers want to make contributions, they must do so directly or provide a check for the lobbyist to deliver.)**
Further, no employer may give an officer or employee a salary increase or bonus with the intention that all or

part of it be spent to support or oppose a candidate, political party, or other committee.

Affiliated Entities: According to statute and administrative rules, some entities are “affiliated” with others for purposes of sharing a contribution limit. Or instance, the following entities share the same limit: parent corporations and their subsidiaries; corporate braches and divisions; and international, national, state and local affiliates of the same union or other membership organization. See RCW 42.17.660 and WAC 390-16-309.

Political Expenditures Report: If an organization, business, union or the like contributes over $14,500 in the aggregate to state office candidates and statewide ballot measures or spends over $700 in independent expenditures benefiting these candidates or ballot measures, that entity must file a C-7 report of this activity by the last day of February for the preceding calendar year, unless the entity files standard campaign reports or the L-3 lobbyist employer report and discloses the information as part of these filings.

Independent Expenditures & Electioneering Communications: Independent expenditures and electioneering communications are important because they are a constitutionally protected form of speech and may not be subject to limit, unlike contributions. Therefore, as long as an expenditure does not constitute a "contribution," the person making it is free to spend as much or as little as he or she likes.

For most applications in the disclosure law, an **independent expenditure** is defined to be an expenditure for political advertising that:

- costs at least $700 (either alone or in conjunction with other ads by the same sponsor benefiting the same candidate);
- supports or opposes a clearly identified candidate for state or local office;
- is paid for by someone other than a candidate, a candidate's committee or agent; and
- is paid for by some individual or entity who undertakes the advertising without having received the benefiting candidate's encouragement or approval or without collaborating with this candidate or the candidate's agent.

Be aware that if an expenditure meets the legal definition of "contribution," it is subject to limit and it is not an independent expenditure.

An **electioneering communication** is advertising that has all of the following five characteristics:

- The communication clearly identifies at least one candidate for state, local, or judicial office;
- appears within 60 days of an election in the candidate’s jurisdiction;
- in one or more of the following media – radio, television, postal mailing, billboard, newspaper, or periodical; and
- either alone, or in combination with other communications by the sponsor identifying the candidate, has a fair market value of $5,000 or more
- is paid for by some individual or entity who undertakes the advertising without having received the benefiting candidate's encouragement or approval or without collaborating with this candidate or the candidate's agent.

A lobbyist or lobbyist employer who sponsors an electioneering communication or an independent expenditure ad that appears within 21 days of an election must file PDC form C-6 in addition to the lobbyist/lobbyist employer reports. See the PDC’s Political Advertising Brochure and Electioneering Communications supplement for more information.

PUBLIC DISCLOSURE COMMISSION

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ELECTRONIC FILING OF LOBBYIST AND LOBBYIST EMPLOYER REPORTS

Lobbyists may file the monthly L-2 report electronically; lobbyist employers may electronically file the L-3 report. The lobbyist registration (L-1) and lobbyist employer contribution report (L-3c) cannot be filed electronically. [The electronic filing application will produce an L-1, but it cannot be e-filed.]

Minimum system requires for electronically filing L-2 & L-3 reports			
	Adobe Acrobat	Internet Explorer	Netscape
Windows PC	5.0x or higher	5.0x or higher	4.7x or higher
Macintosh	5.0x or higher	5.5x or higher	4.7x or higher

Electronic Filing Instructions

To electronically file, go to the PDC webpage at www.pdc.wa.gov and select the following:

- Filer Resources
- Electronic Filing Option
- Electronic Filing Links – Lobbyists
- Account Login
- Account Signup for **New Filers** or Account Logon for **Returning E-filers**
- **New Filers** Click – Lobbyist
- Select Account Status [choose "previously filed" if you've ever filed an L-2 in any format]
- Complete the personal information template (starred items are mandatory) and create a password.
- Print, sign, and mail the signature authorization and password ID form to the PDC at P. O. Box 40908, Olympia, WA 98504-0908.

At this point, you have been assigned a temporary ID number. You can continue to fill out the L-2 template for electronic filing. The template can be completed incrementally or all at once. Be sure to click the save button at the bottom of the template before you exit the application and before you send the report.

Use the Adobe Acrobat print button to print a copy of the report for your records.

Once you complete and save the template, it can be used as a "master" for subsequent months' reports. Open the master by clicking "file, edit or view saved L-2 form" and double-clicking on the master. Make all necessary changes, and click "save" – only the most recent version will be saved. Always save before submitting.

Contact Information

For answers to questions about the **law, reporting requirements, or electronic filing** contact:

Sally Parker at (360) 586-2869 | toll free 1-877-601-2828 | e-mail to sparker@pdc.wa.gov or
Jennifer Hansen at (360) 664-4500 | toll free 1-877-601-2828 | e-mail to jhansen@pdc.wa.gov.