REPORT OF THE COMMISSION TO STUDY LORBYISTS

To THE GOVERNOR And THE GENERAL ASSEMBLY OF VIRGINIA



Senate Document No. 26

COMMONWEALTH OF VIRGINIA

Department of Purchases and Supply

Richmond

1976

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Report of the

Commission to Study Lobbvists

To

The Governor and the General Assembly of Virginia

Richmond, Virginia

January, 1976

To: Honorable Mills E. Godwin, Jr., Governor of Virginia

And

The General Assembly of Virginia

The first legislation requiring the registration of lobbyists was enacted in 1938 by the General Assembly. The Virginia Advisory Legislative Council conducted a study from 1962 to 1964 which resulted in the adoption by the General Assembly of Chapter 2.1 of Title 30 (§§ 30-28.1 to 30-28.11 et seq.). Several organizational and procedural changes have restructured the operation of State government and the Legislature over the past decade. Society's complexity, and increasing governmental regulation at all levels of the affairs of individuals, associations and corporations of all types, have produced an even greater need for citizens to have their views represented through various interest groups. A a result, there has been a substantial increase in the number and activities of persons seeking to communicate their views to the General Assembly.

The need for another review of the statutory regulation of lobbyists and lobbying was recognized in 1975 by the General Assembly which passed Senate Joint Resolution No. 166 as follows:

SENATE JOINT RESOLUTION NO. 166

Creating a Commission to study and make a report on Chapter 2.1 of Title 30 of the Code of Virginia relating to lobbyist.

WHEREAS, the present statute of Virginia relating to lobbyist (Chapter 2.1 of Title 30 of the Code of Virginia, § 30-28.1 et seq.) was enacted in 1964; and

WHEREAS, since that time Virginia has adopted a new constitution providing for annual sessions of the General Assembly and making other changes in the organization and government of the Commonwealth; and

WHEREAS, conditions have greatly changed since 1964 and the

General Assembly wishes to (1) secure to its members the benefits dervived from information made available by persons especially versed in subjects being considered for legislation (2) protect the right of the citizens of Virginia to express themselves on matters being considered by the General Assembly (3) provide appropriate information to the members of the General Assembly concerning the interest being promoted by those engaged in lobbying, and (4) ensure the orderly and efficient functioning of both houses of the General Assembly; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That there is hereby created a Special Commission on Lobbying which shall consist of thirteen members as follows: the Chairman of the Senate Committee on Rules; the Chairman of the House Committee on Rules; two members who shall be appointed by the Privileges and Elections Committee of the Senate from the membership of the Senate; one of whom shall be the Chairman of the General Laws Committee of the Senate; four members who shall be appointed by the Speaker of the House of Delegates from the membership of the House of Delegates; one of whom shall be the Chairman of the General Laws Committee of the House; and five members who shall be appointed by the Governor from the State at large.

The Special Commission shall make a study of Chapter 2.1 of Title 30 of the Code of Virginia and file a report with recommendations concerning such changes, if any, in the provisions of such Chapter as may be desirable to (1) inform the members of the General Assembly concerning the interests being promoted by those engaged in lobbying (2) provide information to the General Assembly and the general public concerning lobbyists and their employers (3) facilitate enforcement of the statute by administrative personnel and law enforcement officials and (4) to ensure the orderly and efficient functioning of the General Assembly when in session.

The members of the Special Commission shall be paid their necessary expenses incurred in the performance of their duties but shall receive no other compensation. The Special Commission may employ such professional, technical, legal or financial counsel as may be necessary to complete its study, including secretarial, clerical or other assistance.

All agencies of the State and the governing bodies of all political subdivisions of the State shall cooperate with and assist the Special Commission in its study.

The Special Commission shall complete its study and make its report and recommendations to the Governor and the General Assembly not later than November one, nineteen hundred seventy-five.

The Lobbyist Study Commission was comprised of the following distinguished persons: the Chairman of the House Rules Committee, John Warren Cooke, Mathews; the Chairman of the Senate Rules Committee, Edward E. Willey, Richmond; the

Chairman of the Senate General Laws Committee, Adelard L. Brault, Fairfax; one Senate member at large, Frederick T. Gray, Chesterfield; the Chairman of the House General Laws Committee, Thomas W. Moss, Jr., Norfolk; three House members, Ralph L. Axselle, Jr., Henrico, J. Marshall Coleman, Staunton, and Ira M. Lechner, Arlington; and five gubernatorial appointees. The Governor appointed Joseph C. Carter, Jr., Richmond; Nathaniel J. Cohen, Virginia Beach; Edwin Meyer, Richmond; William F. Stone, Jr., Martinsville; and, Mrs. Pat Watkins, Richmond.

Senator Gray served as Chairman of the Commission and Mr. Moss served as Vice Chairman. Denton Roberts, Attorney, and Constance D. Sprouse, Legislative Research Associate, provided assistance as staff for the Commission.

The Commission directed the staff to prepare a questionnaire on the present statutes and possible legislative changes thereto, which was mailed to all registered lobbyists, the members of the General Assembly and State agency heads. (The questionnaire and the compilation of responses are included herein as Appendix 1.) Additional information was gathered at a public hearing held in Richmond at which time the following persons testified: T. Rawls Jones, Common Cause of Virginia; R. S. Gillis, Jr., State Chamber of Commerce; Julian Carper, State AFL-CIO; Andrew McCutcheon, Reynolds Metals Company: Mrs. Earl Meese, Virginia League of Women Voters; Walter Ayres, Virginia Agri-Business Council: John B. Boatwright, Jr., Virginia Railway Association: Robert T. Barton, Jr., former member of the House of Delegates and lobbyist; Daniel R. Wilkinson, Virginia Food Dealers Association; R. F. Nelson, Virginia Travel Council; Paul M. Shuford, lobbyist; C. H. Taylor, Virginia Manufacturers' Association; and, Mrs. Pat Perkinson, Secretary of the Commonwealth. The Commission also received written testimony from Thomas J. Rothrock and Robert E. Washington, members of the House of Delegates; Claiborne D. Gregory, Virginia Petroleum Industries; and, J. Ronald Nowland, Virginia Automobile Dealers Association.

RECOMMENDATIONS

- 1. A preamble should be included in Title 30, Chapter 2.1 to state the General Assembly's intent in requiring the registration of lobbyists and to recognize the First Amendment right of citizens to petition government.
- 2. The present definition of "lobbying" should be amended to include those uncompensated persons who are designated representatives of other persons to promote their legislative interests.
- 3. The geographic and time limitations to reportable lobbying activity should be expanded.
- 4. Each agency head and local government official should be required to designate legislative spokesmen for his agency and file the names of such persons with the Secretary of the Commonwealth.

- 5. One form, signed by both the lobbyist and his employer, should replace the present two-form system for reporting lobbying activities, fees and expenses.
- 6. The requirement for a lobbyist to estimate on his registration form the amount of funds to be received and expended by him during the session should be removed from the statute.
- 7. Lobbyists should be given additional time after the session to file their final report of expenditures.
- 8. A civil penalty for late filing of disclosure forms should be included in the statutes and substituted for the present provisions for criminal prosecution for late filing.

RATIONALE FOR RECOMMENDATIONS

1. A preamble should be included in Title 30, Chapter 2.1, to state the General Assembly's intent in requiring the registration of lobbyists and recognizing the First Amendment right of citizens to petition government.

Lobbyists, by presenting legislators with information on a multitude of issues, have an important role in the political and legislative process. However, there should be a full disclosure to the General Assembly and the public of the names and identification of all lobbyists, the interests they represent and the moneys they expend in seeking to influence legislation.

Registration of lobbyists as proposed in the recommended legislation will identify all those persons seeking to affect legislation in a significant manner. Some are more effective than others, thus, it is in the public interest to know in terms of financial resources and numbers represented the nature of the interests represented by lobbyists. However, the value of gaining knowledge about these groups must not infringe upon the rights of individual citizens to petition government and the free flow of information in the legislative process.

The preamble proposed by the Commission reaffirms the constitutional right of people to petition government for the redress of grievances and to express their views on legislative matters. The right of the public to know what activities influence or attempt to influence elected officials is also recognized as necessary to ensure continued public confidence in the legislative process. The preamble is included in this report in § 30-28.01 of Appendix 2 which contains the legislative proposals made by the Commission.

2. The present definition of "lobbying" should be amended to include those uncompensated persons who are designated by others to promote their legislative interests.

With today's increasing complexities of life, individuals find it difficult to make an impact upon elected officials unless they belong to some association of persons of like views or interests. Such associations have been formed in practically every segment of

society representing persons from the medical profession to gardeners. Many of these societal segments are nonprofit or civic groups which expend much time and energy in making their viewpoints know to their elected officials. Few have employed persons to conduct these activities. Designated organization volunteers perform such tasks. Regardless of whether a reprsentative influencing elected officials is paid or not, these people conduct activities to promote their organizations' legislative interests.

Presently, the definition of "lobbying" covers only those persons receiving compensation who influence, or attempt to influence, legislation on behalf of another. The Commission feels that all persons whose designated duties include promoting or advocating legislation on behalf of others should be required to register. Nonprofit or civic associations with volunteer lobbyists represent a large group of persons who seek to influence legislation but whose activities are not required to be disclosed. Since these groups often have the same resources available to them that groups which hire lobbyists have, the Commission feels it is in the public's interest to have these groups and their representatives identify themselves and their activities. (§ 30-28.1(c) of Appendix 2.)

The geographic and time limitations to reportable lobbying activity should be expanded.

Present law restricts reportable lobbying to those activities which take place in the Capitol and the Eighth Street Office Building (which houses the legislator's offices) during the time in which the General Assembly is in session. Providing information to the members of the General Assembly and promoting particular viewpoints are activities which are conducted year round throughout the Commonwealth. Committee meetings and legislators are not confined to the Capitol or the Eighth Street Office Building. Currently, those activities which would be lobbying if conducted within the Capitol or the Eight Street Office Building during a session are not a part of the public record if conducted outside those geographic boundaries and time limitations.

The Commission recommends that § 30-28(e) be amended to require the reporting of all lobbying activities in the Commonwealth between November 15 and adjournment sine die of the session each year. This time frame will encompass most lobbying efforts in the State and such reports of this period will identify further those persons who engage in such activities and the efforts they have made in attempting to influence legislation and legislators.

4. Each agency head and local government official should be required to designate legislative spokesmen for his agency and file the names of such persons with the Secretary of the Commonwealth.

It has been the experience of the members and standing committees of the General Assembly to receive occasionally conflicting testimony and information from persons appearing on behalf of the same State agency. This often leaves the committee unsure of the stance of the executive branch on an issue.

The Commission agrees that, since many agencies do provide extremely important informational services, it is imperative the agency have officially designated spokesmen providing such services to legislators and committees.

Similarly, local governmental entities may currently have several individuals representing their interests before the General Assembly. Having the executive head of such entity designate official representatives for the political subdivision would lessen the confusion as to what local interests were being represented before standing committees.

The Secretary of the Commonwealth presently informs the Clerks of the House of Delegates and Senate of those persons registered as lobbyists. This office should also be responsible for providing the names of authorized State and local government representatives appearing before the General Assembly. Thus, both lists of lobbyists and authorized governmental personnel could be transmitted to the Clerk's offices simultaneously (§ 30-28.1:2 of Appendix 2).

5. One form, signed by both employee and employer, should replace the present two-form system for reporting lobbyist activities, fees and expenses.

Both the lobbyist and his employer must list the salary and/or fees paid to the lobbyist, the legislative interest of the employer and the funds expended to those ends. These forms must be notarized and returned to the Secretary of the Commonwealth. This duplication is a burden on the lobbyist and his employer as well as the Secretary of the Commonwealth.

The Commission agrees that a simplified procedure will streamline the administrative paperwork necessary and still contain the pertinent information on lobbyists and their employers (§ 30-28.5 of Appendix 2).

6. The requirement for a lobbyist to estimate on his registration form the amount of funds to be received and expended by him during the session on the registration form should be removed from the statute.

This requirement [§ 30-28.2(d)(1)] provides no useful data to the public or the General Assembly. It is often impossible for a lobbyist to determine how much of his time will be spent in the lobbying since most legislative proposals are not filed until well after the session begins. Dollar estimates of fees and expenditures may either far exceed his actual expenses or fall extemely short of such expenses. No rational explanation for continuing these estimates can be provided.

7. Lobbyists should be given additional time after the session to file their final report of expenditures.

Presently the statutes require all lobbyists to file a statement of total monies received and expended within thirty days of adjournment sine die of the General Assembly. Obtaining these reports has been a major problem for the Office of the Secretary of the Commonwealth. Often, billed expenses, such as telephone and credit card bills, do not arrive in time to be included in the report if it is to be filed within the thirty day limit. Allowing a sixty day period would provide a more reasonable time frame for lobbyists to make an accurate accounting of their expenses (§ 30-28.5 of Appendix 2).

8. A administrative penalty for late filing of disclosure forms should be included in the statutes.

As previously noted, the Office of the Secretary of the Commonwealth has had a difficult time enforcing the deadline for the filing of expenditure reports. The Commission proposes that the Secretary be directed to impose a civil fine of \$50 per day for each day the report is late and to refuse to re-register any person until such fine is paid. This civil fine would be in lieu of the present criminal prosecution provisions for late filing of reports. (§ 30-28.5:1 of Appendix 2.)

CONCLUSION

The Commission deliberated at length over the above recommendations recognizing that the individual's right to petition government is a vital constitutional right which must be closely guarded. The need of members of the General Assembly to identify lobbyists and the interests they represent, and the right of citizens to have information about the legislative process, were also important considerations in these deliberations.

Since the early 1970's, events at the federal level have caused a general decline of public confidence in public officials. This trend has been documented in several national surveys conducted by the Harris and Gallup Polls. While Virginia officials have not been involved in any misuse of their offices, the Commission believes that through a continued emphasis on the public disclosure of those elements which have an effect on legislative process, the Commonwealth should continue to enjoy citizen confidence in its elected officials.

Respectfully submitted,

Frederick T. Gray, Chairman (1)

Thomas W. Moss, Jr., Vice Chairman

John Warren Cooke

Edward E. Willey

Ralph L. Axselle, Jr. (with reservations about the definition of "lobbying") Adelard L. Brault Joseph C. Carter, Jr. (2) Nathaniel J. Cohen J. Marshall Coleman (3) Ira M. Lechner (dissents with the proposed definition of "lobbying" which he feels is too broad and includes the oridinary citizen) Edwin Mever William F. Stone, Jr. (4) Pat Watkins

Thomas W. Moss, Jr., Vice-Chairman

(1) Senator Frederick T. Gray, Chairman:

Member not approving report:

I have agreed to this report in the spirit of compromise which has been a hallmark of our proceedings. I would like to reserve the right to amendments which would relax the restrictions as to uncompensated representatives of community and civic groups and to eliminate any requirement to report the expenses of mere

communications.

(2) Mr. Joseph C. Carter, Jr.:

While I was not persuaded by any information or views presented to the Commission that there is any public demand or substantial factual basis for extension of the regulatory scope of the present lobbying laws, I have approved the proposed legislation as a compromise between two conflicting viewpoints represented on the Commission, and also as a means of correcting several minor technical defects in the present lobbying laws.

(3) Senator J. Marshall Coleman:

I. I believe that on the whole, the majority's bill is a step in the right direction. It streamlines some of the lobbying statute's provisions and provides a long needed means of identifying authorized legislative spokesmen for state agencies. More importantly, it reflects the majority's recognition that significant lobbying occurs beyond the coverage of the current statute, and that meaningful legislation cannot be restricted to coverage of only Capitol Square, only during the legislative session.

But the majority bill's restriction of coverage to November 15 through session's end is as arbitrary as the current statute. A significant amount of the General Assembly's work is now done outside of theformal sessions, and significant lobbying occurs whenever any committee or commission meets during the year. Such lobbying should also be a matter of public record. Thus the scope of the majority bill should be extended to cover significant lobbying whenever it occurs during the year.

II. Any attempt to rewrite the current definition of "lobbying" would be an improvement, especially in connection with an extension of the law's scope. Overbreadth is as undesirable as inadequate coverage, and the current definition would be very broad if applied literally.

The Commission majority's definition might also be interpreted in an overly inclusive fashion. No one wants to place an unrealistic burden upon an individual whose activity does not assume significant proportion. Nor should people's "back home" communication with legislators from their own districts be unduly hampered.

I recommend the definition of lobbying set out below. It combines and reworks the current definition of "lobbying" and "promoting, advocating or opposing." Its two-part test restricts coverage to paid lobbyists and significant volunteer efforts, and the second exclusion protects the lines of communication between legislators and their constituents. It is considerably narrower than either the current law or the Commission majority's provision.

"Lobbying" means any communication or conduct undertaken by an individual for or on behalf of another person, which is intended to influence or would reasonably be expected to influence any member of the General Assembly to vote or use his influence regarding any matter which may come, or is pending before either house, where the individual either (1) receives compensation for such activity, or (ii) makes or directs expenditures totaling more than fifty dollars in furtherance of such activities, exclusive of his personal living and travel expenses, in any calendar quarter; but does not include: (1) An appearance before a legislative or legislatively created committee or agency, or submission of a written statement thereto, by an individual not otherwise engaged in lobbying as defined herein; (2) An individual's communication of his employer's views to a General Assembly member representing the district in which the individual resides or works, where the individual makes no expenditure other than the cost of the communication and is not otherwise engaged in lobbying as defined herein.

An individual's activity is not undertaken for or on behalf of another merely because it is suggested by another.

III. The majority's proposed section on reporting by lobbyists is essentially a recodification of § 30-28.5. Like the current statute, it would allow expenditure reports which are so general as to be meaningless.

A. Under the present law, lobbyists' expenses are reported in five categories: "logging", "transportation", "salaries", "retainers", and "other expenditures". Most significant expenditures appear to be lumped without further identification under the "other" category. The Commission heard testimony that such miscellaneous expenditures ranged as high as \$16,000 in the 1976 reports.

The majority has acknowledged that the public should be able to find out how money is spent in attempts to influence legislation. Then the law should require enough specific expense categories to make the reports informative. At the very least, totals for "food and refreshments" and "entertainment" should be required.

B. The laws should also require that a significant expenditure by a lobbyist which benefits an individual legislator be itemized in the lobbyist's report. It is true that such expenditures are uncommon in Virginia. Hopefully they always will be. But it will not do to say that they should not be reported because they are uncommon. If they are rare, then reporting them will pose no burden whatever on lobbyists. More significantly, their rarity makes it important that we — and the public — know when they occur. And if they were ever to become commonplace, the General Assembly's members would want to be the first to know it.

Accordingly, I recommend that a provision similar to the ollowing be included in the reporting requirement:

The report shall include an itemized listing of each expenditure exceeding twenty-five dollars which inures to the direct of indirect financial benefit of any individual member of the General Assembly. Each expenditure shall be described fully

and ifentified by date, amount, purpose, and the names of the individuals making, receiving, and benefitting from the expenditure. Social functions attended by five or more members of the General Assembly need not be itemized hereunder.

(4) Mr. William F. Stone, Jr.:

After further consideration of the problem, I reiterate my view that no volunteer uncompensated representative of a group wishing to express the position of his group to one or more legislators should be required to register as a precondition for doing so, much less be required to pay a fee. Under the proposed language even a member of a P.T.A. who is authorized by that group to express its position on a pending matter to its own legislative representatives would be required to register and pay a fee of \$20.00 for doing so, in the absence of which the P.T.A. member would be guilty of a misdemeanor. This appears to me to be very wrong. Accordingly, I could not endorse the definition of "lobbying" appearings in the Commission's report and would recommend something similar to the following:

"Lobbying" means promoting, advocating or opposing any matter which is pending before, or under consideration by, or may reasonably be expeted to come under consideration by, either house of the General Assembly or any committee thereof by an individual ating for or on behalf of another person, where the individual is ompensated for suh activity and has a designated part of his duties expressing the views of such other person.

While the above issue is my primary area of concern, I also have the following additional comments:

1. Subparagraph (e) of § 30-28.1 should have language similar to the following added:

, but does not include acts, speech, communication, or conduct which influences, or is intended to influence, or would reasonably be expected to influence, the views of the general public or of some group not composed of some part or all of the General Assembly.

The proposed language of the draft report attempts to take care of this problem under the definition of rfeportable expenses, but it would still arguably be lobbying activity requiring registration.

2. Breaking down the category of "other expenses" on the reporting form into additional categories would be helpful and nt unduly burdensome to the lobbyists.

APPENDIX 1

MEMO TO: Lobbying Commission FROM: Constance D. Sprouse RE: Lobbying Questionnaire

The questionnaire was distributed to each registered lobbyist, State agency head and State legislator. Approximately 50% of the lobbyists returned the questionnaire. Only 37 State agencies returned the questionnaire filled out. Several agency heads stated that they did not "lobby" and therefore would not be affected by statutes regulating lobbyists. Of the House of Delegates and Senate members polled, 24% and 23% responded, respectively.

Lobbyists favored including State employees in the "lobbyist" definition (72% to 12%). Other groups failed to see the need to include such employees in this definition. No group wished to include persons appearing only before standing committees. Lobbyists were divided as to the inclusion of unpaid pesons attempting to influence legislators; the remaining groups responded negatively.

The idea of setting a minimum dollar expenditure level for qualifying as a lobbyist was not acceptable to a majority of lobbyists. Other groups found this acceptable. If a maximum should be set, the \$100 limit was designated as most favorable by all polled.

Legislators included persons attempting to influence executive branch decision-making in the "lobbyist" definition. Lobbyists and State agencies answers were equally divided.

Geographic boundaries for reporting lobbying activities would be retained by the lobbyists but eliminated by all other groups. Lobbyists would retain the present practice of reporting activities engaged in only during the session. Other groups would rather have year-round activities reported.

Reported "expenses" should include other things of pecuniary value according to legislators and State agencies. Lobbyists were not in agreement on whether they should be required to report other "expenses".

Lobbyists and legislators agree that State employees representing their agencies to the Legislature should register with the Secretary of the Commonwealth. Agencies disagree among themselves on this point.

Lobbyists favor elimination of the estimated expenditure's report while legislators wish to retain these reports. Each group reacted favorably to extending the reporting periods during the session from two to three weeks.

Legislators and lobbyists agreed that employers needed no more than ten days to deny that a registered lobbyist was in his employ. Both groups also agreed that one reporting form signed by the lobbyist and his employer, to streamline the present two-form procedure.

The suggestion to have statements filed by lobbyists requiring only those expenses greater than a minimum amount be itemized, but to have the sum of expenses under the threshold included in a statemet of total amounts expended was acceptable to both lobbyists and legislators. Legislators approved of requiring interim reports while lobbyists disapproved of such additional reports.

Lobbyists failed to see the need for delineating their area of legislative interess. Legislators were divided on this point.

Lobbyists stated they need more time after the session to report their expenditures prefering a sixty day period rather than the pesent thirty day requirement. Other groups responded that lobbyists do not need the additional time.

Forty-six percent of those lobbyists responding to the questionnaire see the penalty of suspension for lobbying activities as a possible deterent to illegal activities. Legislators overwhelmingly favored this suggested provision. All groups agreed that a \$10 per day fine for delinquent reports would be preferable to criminal prosecution. Overall, 50% of the lobbyists noted that current laws are adequate; other responses varied too greatly to be generalized.

Lobbyists - 149 questionnaires returned State Agencies 37 " "

House of Delegates - 28
Senate 9

- 1. § 30-28.1. Definitions.
 - A. Should the definition of "lobbyist" be expanded to include:
 - 1. Full-time State employees engaged in lobbying activities (e.g. college presidents, agency heads, etc.)?

Lobbyists								
Yes 7	12	(108)	No	21%	(31)	No	Opinion	6% (9)
State								
Yes	88	(3)	No	89%	(33)	No	Opinion	-0-
House								
Yes 1	l8 %	(5)	No	82 %	(23)	No	Opinion	-0-
Senate								
Yes :	33%	(3)	No	6.6%	(6)	No	Opinion	-0-

2. Persons appearing only before standing committees?

Lobbyists Yes 10% (15)	No 84% (125)	No Opinion 6% (9)
State Yes 3% (1)	No 75% (28)	No Opinion 19% (7)
House Yes 15% (3)	No 85% (24)	No Opinion 4% (1)
Senate Yes 22% (2)	No 66% (6)	No Opinion <u>-0-</u>

3. Unpaid persons who attempt to influence legislators?

Lobbyists				
Yes 42%	(63)	No 48 %	(72)	No Opinion 5% (8)
State				
Yes 22%	(8)	No 62%	(23)	No Opinion 16% (6)
House				
Yes 21%	(6)	No 79%	(22)	No Opinion -0-
Senate				
<u>Y</u> es 22%	(2)	No 66%	(6)	No Opinion -0-

4. Only those persons who expend funds in excess of a minimum dollar amount lobbying on behalf of another or who lobby for "hire"?

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Lobbyists
    Yes 32% (48) No 52% (78) No Opinion 5% (8)

State
    Yes 51% (19) No 32% (12) No Opinion 16% (6)

House
    Yes 71% (20) No 25% (7) No Opinion -0-

Senate
    Yes 77% (7) No 22% (2) No Opinion -0-
```

If yes, should the minimum expenditure for qualifying as a lobbyist be:

Lobbyists		
\$50 21% (10)	\$100 35% (17)	Other 46% (22)
State		
\$50 21% (4)	\$100 42% (8)	Other 26% (5)
House		
\$50 30% (6)	\$100 45% (9)	Other 25% (5)
Senate		
\$50 14% (1)	\$100 57% (4)	Other 29% (2)

1. A. 5. Persons whose activities include attempts to influence policy-making in the executive branch (especially administrative agencies)?

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Lobbyists
Yes 40% (59)
No 50% (74)

State
Yes 35% (13)
No 49% (18)
No Opinion 11% (4)

House
Yes 61% (17)
Senate
Yes 55% (5)
No 44% (4)
No Opinion -0-
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B. Should the geographic boundaries of lobbying (presently the Eighth Street Office Building and the Capitol) be eliminated so that all lobbying activities are reportable?

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Lobbyists
     Yes 30% (45)
                      No 60% (89)
                                     No Opinion
                                                  7% (10)
State
     Yes 73% (27)
                          5% (2)
                                     No Opinion 22% (8)
                      Nο
House
     Yes 82% (23)
                      No 18% (5)
                                      No Opinion -0-
Senate
     <u>-</u>
Yes 66% (6)
                      No 11% (1)
                                      No Opinion 22% (2)
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C. Should lobbying include activity throughout the year rather than activity only while the General Assembly is in session as presently provided?

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Lobbyists
                      No 62% (93)
     Yes 30% (44)
                                      No Opinion
                                                    5% (7)
<u>State</u>
Yes <u>70% (26)</u>
                      No 14% (5)
                                      No Opinion 14% (5)
House
      Yes 75% (21)
                      No 11% (3)
                                      No Opinion 14% (4)
Senate
      Yes 77% (7)
                      No 22% (2)
                                      No Opinion -0-
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D. Does the definition of "matter" need to be clarified or made more exhaustive? ("Matter" means any law, bill, resolution, amendment or investigation which is or may come under the consideration of either house of the General Assembly or any committee thereof or member of the General Assembly. § 30-28.1(f).) "Matter" is used in the definition of "lobbying". ("Lobbying" means promoting, advocating or opposing any matter which may come, or is pending, before either house of the General Assembly § 30-28.1(c).)

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Lobbyists
     Yes 12% (18)
                     No 79% (117)
                                   No Opinion 6% (8)
                                                          Comments 15
State
     Yes 27% (8)
                     No 46% (17)
                                   No Opinion 30% (11)
                                                          Comments 6
House
     Yes 36% (10)
                     No 39% (11)
                                   No Opinion 18% (5)
                                                          Comments
Senate
                                   No Opinion 11% (1)
     Yes 55% (5)
                     No 22% (2)
                                                          Comments 3
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E. Should reported "expenses" (defined in § 30-28.1(g)) include other items of pecuniary value beside money?

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Lobbyists
     Yes 40% (60)
                      No 49% (73)
                                     No Opinion 7% (11)
State
     Yes 66% (25)
                          8% (3)
                                     No Opinion 24% (9)
                      No
House
     Yes <u>89%</u> (25)
                      No 11% (3)
                                     No Opinion -0-
Senate
     Yes 77% (7)
                      No 11% (1)
                                     No Opinion 11% (1)
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- 2. § 30-28.1:1. State employees.
 - A. If full-time State employees are not required to register, would you like an administrative rule to require the Governor to supply a list of such employees working with legislators on behalf of their agency to the Secretary of the Commonwealth?

Lobbyist	s				
Yes	_68%	(101)	No 13%	(21)	No Opinion 8% (12)
State					<u> </u>
Yes	43%	(16)	No 43%	(16)	No Opinion 11% (4)
House					<u> </u>
Yes	68%	(19)	No 25%	(7)	No Opinion 7% (2)
Senate					<u> </u>
Yes	7 7 %	(7)	No 22%	(2)	No Opinion -0-

- § 30-28.2. Registration.
 - A. Do you favor elimination of the estimated expenditures report required at the time of registration?

L	obbyists	3								
_	Yes	74%	(104)	No	14%	(24)	No	Opinion	12 %	(18)
	tate Yes ouse	8%	(3)	No	51%	(19)	No	Opinion	38%	(14)
-	Yes Yes	18 %	<u>(5)</u>	No	54 %	(15)	No	Opinion	25%	(7)
3	Yes	11%	(1)	No	55%	(5)	No	Opinion	33%	(3)

- 4. § 30-28.3. Information in legislative docket.
 - A. Would there be any harmful effects if the present reports of the Secretary of the Commonwealth to the General Assembly members were reduced from every two weeks to three reports (one at the beginning, midpoint and end of each session)?

```
Lobbyists
Yes 7% (11) No 50% (74) No Opinion 40% (59)

State
Yes 3% (1) No 49% (18) No Opinion 46% (17)

House
Yes 7% (2) No 76% (21) No Opinion 14% (4)

Senate
Yes 11% (1) No 77% (7) No Opinion 11% (1)
```

- 5. § 30-28.4. Information furnished employer of lobbyist.
 - A. Should the ten-day limit on the employer to deny that a person is lobbying on his behalf be extended?

```
      Lobbyists

      Yes 32% (47)
      No
      45% (67)
      No Opinion 23% (35)

      20 days
      62% (29)
      30 days
      32% (15)
      Other 2% (1)

      State
      Yes 11% (4)
      No
      35% (13)
      No Opinion 49% (18)

      20 days
      50% (2)
      30 days
      50% (2)
      Other -0-

      House

      Yes 18% (5)
      No
      No
      54% (15)
      No Opinion 25% (7)

      20 days
      80% (4)
      30 days -0-
      Other 20% (1)

      Senate

      Yes -0-
      No
      77% (7)
      No Opinion 22% (2)

      20 days
      -0-
      Other -0-
```

- 6. § 30-28.5. Statements of lobbyists.
 - A. Would one reporting form, signed by both employee and employer, be preferable to the present two-form procedure?

```
Lobbyists
     Yes 85% (126)
                     No 7% (11)
                                   No Opinion 3.% (5)
State
     Yes 30% (11)
                     No
                         3% (1)
                                   No Opinion 73% (23)
House
     Yes 54% (15)
                         7% (2)
                                    No Opinion 36% (10)
                     Nο
Senate
     Yes 66% (6)
                     No -0-
                                   No Opinion 33% (3)
```

B. Should the detailed statements required of the lobbyists and employers require only that expenses greater than a minimum amount (e.g. \$25) be itemized, but that the sum of the expenses under the threshold amount be included in a statement of the total amount expended?

```
Lobbyists
     Yes 59% (88)
                     No 21% (32)
                                    No Opinion 19% (29)
State
     Yes 27% (10)
                     No 11% (4)
                                    No Opinion 57% (21)
House
     Ycs 61% (17)
                     No 14% (.4)
                                    No Opinion 18% (5)
Senate
     Ψεs 77% (7)
                                    No Opinion -0-
                     No 11% (1)
```

C. Should the subject area of interest to the lobbyist be required to be delineated in his statement (i.e. bill numbers, section numbers of the appropriation bills or a particular committee)?

```
Lobbyists
Ye: 11% (16) No 87% (129) No Opinion 2% (3)

State
Yes 32% (12) No 24% (9) No Opinion 41% (15)

House
Yes 46% (13) No 36% (10) No Opinion 14% (4)

Senate
Yes 33% (3) No 44% (4) No Opinion 11% (1)
```

D. Should additional reports on interim activities be required?

```
Lobbyists
         11%(16)
                   No 85% (]27) No Opinion 3% (5)
    Yes
     l interim 56% (9)
                        2 interim 31% (5) Other 19% (3)
State
    Yes 30% (11)
                   No 8% (3)
                                 No Opinion 57% (21)
     l interim 33% (3)
                      2 interim 66% (6) Other -0-
House
     Yes 61% (17)
                   No 32% (9)
                                 No Opinion 7% (2)
     1 interim 18% (5) 2 interim 65% (11) Other 6% (1)
Senate
     Yes 55% (5)
                   No 22% (2)
                                 No Opinion 11% (1)
     l interim 60% (3)
                       2 interim 20% (1) Other 20% (1)
```

E. Do lobbyists need more than 30 days for reporting their expenditures during the session?

```
Yes 39% (58) No 56% (83) No Opinion 5% (8)
45 days 26% (15) 60 days 67% (39) Other 5% (3)
State
     Yes 8% (3)
                      No 51% (18)
                                       No Opinion 41% (15)
     45 days -0-
                          60 days
                                        (3) Other -0-
House
     Yes 4% (1)
                       No 86% (24)
                                       No Opinion 11% (3)
     45 days -0-
                                        (1)
                                               Other -0-
                          60 days
Senate
     Yes 11% (1)
                      No 66% (6)
                                     No Opinion 22% (2)
                   (1)
                        60 days -0-
     45 days
```

- 7. § 30-28.8. Prohibited acts.
 - A. Would the added penalty of being suspended from lobbying activities assist in the curtailment of possible illegal activities by lobbyists?

```
Lobbyists
     Yes 46% (69)
                     No 27% (40)
                                    No Opinion 16% (24)
State
     Yes 59% (22)
                     No
                         5% (2)
                                    No Opinion 33% (12)
House
     Yes 93% (26)
                     No
                         4% (1)
                                    No Opinion -0-
Senate
     Yes 88% (8)
                     No 11% (1)
                                    No Opinion -0-
```

B. Would an administratively imposed fine of \$10 per day for each day a report is delinquent be preferable to criminal prosecution, as currently provided?

```
Lobbyists
Yes 58% (87) No 21% (32) No Opinion 17% (26)
State
Yes 33% (12) No 16% (6) No Opinion 47% (18)
House
Yes 54% (15) No 25% (7) No Opinion 14% (4)
Senate
Yes 66% (6) No 11% (1) No Opinion 11% (1)
```

C. Do you feel that the present penalty for failure to comply with lobbying statutes is too weak to prevent abuses (a misdemeanor), or is otherwise ineffective?

Lobbyists			
Yes 15% (23)	No 62% (92)	No Opinion 17% (25)	Comment;
State			
Yes 19% (7)	No 19% (7)	No Opinion 62% (23)	Comments (1)
House			
Yes 36% (10)	No 25% (7)	No Opinion 29% (8)	Comments -0-
Senate			
Yes 33% (3)	No 44% (4)	No Opinion 11% (1)	Comments -0-

8. On the whole do you feel that the current laws regulating lobbyists are (check one or more):

	Effective	Ineffective	Too Lax	Too Stringent	Adequate
Lobbyists	39% (58)	7% (16)	10% (15)	2% (3)	47% (70)
State	11% (4)	11% (4)	27% (10)	-0-	22% (8)
House	18% (5)	25% (7)	39% (11)	-0-	21% (6)
Senate	33% (3)	11% (1)	33% (3)	11% (1)	11% (1)

APPENDIX 2

A Bill to amend and reenact §§ 30-28.1, 30-28.2, 30-28.3, 30-28.4 and 30-28.7, as severally amended, of the Code of Virginia, and to amend the Code of Virginia by adding sections numbered 30-28.01, 30-28.1:2 and 30-28.5:1 and to repeal §§ 30-28.5 as amended, and 30-28.10 of the Code of Virginia, the amended, added and repealed sections relating to the regulation of lobbying; penalties.

Be it enacted by the General Assembly of Virginia:

1. That §§ 30-28.1, 30-28.2, 30-28.3, 30-28.4, and 30-28.7, as severally amended, of the Code of Virginia are amended and reenacted, and that the Code of Virginia is amended by adding sections numbered 30-28.01, 30-28.1:2 and 30-28.5:1 as follows:

§ 30-28.01. Policy and intent.—The General Assembly declares that the right of the people to petition the government for the redress of grievances, and the opportunity for the people to freely express their opinions on legislative matters to members of the legislative branch are vital to the operation of responsible democratic government and should be encouraged and fostered; and that the public's confidence in the legislative process will be continued and encouraged by the regular public disclosure of the identity, expenditures and activities of those persons who seek, for or on behalf of another, to influence members of the General Assembly on legislative matters.

Nothing in the following body of law shall be construed to infringe upon the right to petition the government for the redress of grievances, or inhibit the free flow of ideas between the citizenry and the General Assembly.

- § 30-28.1. Definitions.—When used in this chapter, unless the context requires a different meaning, the following terms shall have the meanings respectively set forth:
- (a) "Person" includes an individual, firm, association, corporation, partnership or business trust; but not an officer, board, department, institution or agency of the Commonwealth of Virginia or employee thereof nor an officer, board, department, institution or agency of any political subdivision of the State or employee thereof, or a political subdivision of the State.
- (b) "Employer" means any person who has an individual lobbying for him for compensation or expenses.
- (c) "Lobbying" means promoting, advocating or opposing any matter which may come, or is pending, before either house of the General Assembly or any committee thereof by an individual (i) who is an employee of a person whether his employment is for the purpose of lobbying or otherwise, or, (ii) who is employed or retained for such purpose, in whole or in part, and who, either under (i) or (ii), appears on behalf of, or for, any other person for such purpose; provided that (i) shall not apply to appearances before a committee of either house or a joint committee thereof acting for or on

behalf of another person, where the individual, whether or not employed, has as a designated part of his duties expressing the views of another; but does not include appearances before a legislative or legislatively created committee or agency, or submission of a written statement thereto, by an individual.

An individual's activity is not undertaken for or on behalf of another merely because it is suggested by another.

- (d) "Lobbyist" means a person who engages in lobbying.
- (e) "Promoting," "advocating" or "opposing" means any act, speech, communication or conduct within the Capitol Building orthe Eighth Street Office Building on the part of a lobbyist from November fifteenth until the adjournment sine die of each regular session of the General Assembly, and during each special session of the General Assembly, which influences, or is intended to influence, or would reasonably be expected to influence, a member of the General Assembly to vote or use his influence, for or against any matter which may come, or is pending, before either house of the General Assembly or any committee thereof while the General Assembly is in session
- (f) "Matter" means any law, bill, resolution, amendment or investigation which is, or may come, under the consideration of either house of the General Assembly or any committee thereof or member of the General Assembly.
- (g) "Expenses" includes (i) moneys directly or indirectly paid, or to be paid, by the lobbyist in connection with lobbying; (ii) all moneys paid, or to be paid, by the employer of a lobbyist which moneys are used or are intended to be used to assist such lobbyist in his work and shall, without excluding moneys expended for other purposes, include moneys expended to inform any person of thematter upon which the lobbyist is engaged as such or to have any other person communicate in any manner with any member of the General Assembly so as to assist the lobbyist in any matter upon which he may be engaged; provided, however, it shall not include moneys expended in the communication of any legislative matter or matters to persons other than members of the General Assembly.
- § 30-28.1:2. Names of public officials authorized to appear before legislative committees.—A. The head of each board, commission, department and agency of the State government shall, at least fifteen days prior to each session of the General Assembly supply the Secretary of the Commonwealth with a list of those officials or personnel authorized to communicate with members of the General Assembly during such session on behalf of each such board, commission, department and agency.
- B. Each political subdivision of the State shall, at least fifteen days prior to each session of the General Assembly, supply the Secretary of the Commonwealth with a list of those officials and personnel authorized to communicate with members of the General Assembly during the session on behalf of such political subdivision.
- C. The head of each board, commission, department and agency of State government, and the State political subdivisions shall promptly notify the Secretary of the Commonwealth of any changes in the authorization of officals and personnel.
 - D. The Secretary of the Commonwealth shall record in a legislative docket the

information supplied under this section and shall furnish current, complete lists thereof to the clerk of each house and to each member of the General Assembly once every two weeks during a regular or special session. The records required to be kept by this section shall be open to inspection and copying during the regular business hours of the Secretary of the Commonwealth

- § 30-28.2. Lobbyists to register with Secretary of Commonwealth and secure identification cards; information to be furnished.— A. No individual shall engage in lobbying until he registers with the Secretary of the Commonwealth and secures an identification card. Such application shall be made on forms provided by that office and contain the following information:
- (a) The full name of the applicant, his residence and business address, and a description of the matters and purposes for which he expects to be lobbying.
- (b) The name, address and principal occupation of each person by whom the lobbyist is employed or retained. If the applicant is an employee of some person, the position held with such person shall be stated.
- (c) The name and address of the person who will keep the custody and control of the accounts and records required to be kept by § 30-28.5 and the location of such accounts and records.
- (d) (1) To the extent that it has been determined or can practicably be determined in advance, the money paid or to be paid or the value of any other consideration given or to be given to the applicant for lobbying, including expenses, whether or not he is on a periodic retainer; or
- (2) If the applicant is on a retainer which is his sole payment for lobbying, the amount of the retainer allocated or allocable to lobbying; or
- (3) If the applicant is on a retainer, under which he may receive additional compensation for lobbying, the amount of additional compensation, including expenses, he may so receive for such lobbying.
- (e) If the applicant is on an annual salary, the amount thereof reasonably allocable to lobbying based on estimated time to be spent by him on lobbying as compared with time to be spent on nonlobbying activities.
- (f) As to each person for whom, or on behalf of, the registrant will lobby, an indication whether the registrant is employed or retained, whether the relationship is temporary or permanent, whether full or part time, and whether exclusively for the purpose of lobbying.
- B. Registration required in subsection A. shall expire upon the adjournment sine die of each session of the General Assembly.
- § 30-28.3. Information to be recorded in legislative docket; changes, etc., in employment of lobbyist.—The Secretary of the

Commonwealth shall immediately record in a legislative docket the information filed under § 30-28.2 and shall furnish current, complete lists thereof to the clerk of each house and to each member of the General Assembly once every two weeks during a regular or special session each registration period. The records required to be kept by this chapter shall be open to inspection and copying during the regular business hours of the Secretary of the Commonwealth.

Whenever any change, modification or addition to his employment as a lobbyist is made, the lobbyist shall, within one week of such change, modification or addition, furnish full information regarding the same to the Secretary of the Commonwealth on forms provided by that office.

- § 30-28.4. Issuance of identification card; copy of chapter and information to be furnished to applicant and employer; appointment of Secretary of Commonwealth as agent for service of process.—(a) Upon the filing of an application in accordance with § 30-28.2, the Secretary of the Commonwealth shall issue to the applicant an identification card, which shall be presented by the lobbyist, if requested, at any time during a legislative session while the lobbyist is in the Capitol, the registration period whenever he approaches any member of the General Assembly, or appears before any committee thereof, on a legislative matter.
- (b) The Secretary of the Commonwealth shall furnish a copy of this chapter to any person offering to register as a lobbyist and shall mail by certified mail a copy of this chapter and a copy of the information furnished by the applicant to the person whom the applicant represents to be his employer.
- (c) If the person to whom the information is sent under paragraph (b) of this section does not, within ten days of such mailing, file an affidavit, signed by the person or duly authorized agent of the person, denying that the lobbyist appears on his behalf, such person shall be deemed to have appointed the Secretary of the Commonwealth his agent for service of process in any prosecution arising for violation of this chapter. If such affidavit is filed, the Secretary of the Commonwealth shall proceed as set forth in § 30-28.9.
- § 30-28.5:1. Reporting by lobbyists; penalties.—A. Within sixty days after the adjournment sine die of a session of the General Assembly each person required to register as a lobbyist under § 30-28.2 shall file with the Secretary of the Commonwealth a complete and detailed statement signed by the lobbyist and his lobbying employer, or employers, if any, and sworn to before some officer aut orized by law to take acknowledgements to deeds, showing:
- 1. All expenses, retainers and salaries, or amounts thereof, paid or incurred in connection with lobbying by each lobbying employer and showing the matters and purposes for which such person lobbied.
- 2. All expenses, retainers and salaries received by the lobbyist in connection with lobbying, and all expenses, retainers and annual salaries incurred or paid by the lobbyist in connection with lobbying.

Such statements shall be in the form prescribed by the Secretary of the Commonwealth and shall be open to public inspection and copying during the regular business hours of that office.

The Secretary of the Commonwealth shall assess and collect a civil penalty of fifty dollars per day from each person who fails to file, within the time prescribed by § 30-28.5:1, the statement required by that section. For so long as the report remains unfiled or the assessed penalty uncollected, such person shall not be permitted to register as a lobbyist.

- § 30-28.7. Fees; expiration of identification card.—Before the Secretary of the Commonwealth issues an identification card under § 30-28.4, he shall collect fifteen twenty dollars from the lobbyist as a fee for filing the statement herein required. Each such card shall become invalid after the adjournment sine die of the session for which it was issued. All money received as such fees shall be paid into the State treasury to the credit of the general fund.
- 2. That §§ 30-28.5, as amended, and 30-28.10 of the Code of Virginia are repealed.

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