HOUSE MESSAGE SUMMARY

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BILL: CS/SB 2646

SPONSOR: Ethics and Elections Committee and Senator Sebesta

SUBJECT: Lobbying

PREPARED BY: Senate Committee on Ethics and Elections

DATE: May 6, 2005

I. Amendments Contained in Message:

House Amendment 1 – 751873 (body with title)

II. Summary of Amendments Contained in Message:

House Amendment 1 removes or modifies several key provisions of the Senate bill. The House Amendment:

- Removes the requirement that lobbyists report **individual expenditures** for food and beverages (full name and address of each person *to whom* the expenditure was made; date of the expenditure; and, name and title of the member or employee of the Legislature *for whom* the expenditure was made.)
- Specifically excludes all contributions to a political party from the definition of a lobbying "expenditure," effectively **authorizing lobbying gifts to be indirectly forwarded to legislators** (and legislative employees) through the political parties in circumvention of the lobbying expenditure restrictions in the bill.
- Expands the **categories of compensation reporting**, requiring a lobbying firm to report the exact dollar amount of compensation from a principal <u>only</u> if compensation exceeds \$150,000 per semiannual reporting period. (Senate bill requires reporting of specific dollar amount of compensation from principals if the total for the *quarterly* reporting period is \$45,000 or more.)
- Gets rid of all **auditing of lobbying compensation reports**, thereby eliminating any meaningful enforcement mechanism and leaving the reporting of lobbying compensation to the **"honor system."** (Senate bill had the Auditor General auditing 3% of all lobbying firms annually.)
- Removes the conditional lobbying prohibition for **convicted felons**.
- Lessens the **certification of expenditure and compensation statements**, from requiring the filer to certify that the report is complete and accurate to certifying that the report is complete and accurate *to the best of the filer's knowledge*, creating a potential enforcement loophole.
- Changes the quarterly reporting of expenditures and compensation to semiannual reporting.