

1 Amend 2 Cal. Code Regs. Section 18612 to read:

2 **§ 18612. Accounting by Lobbying Firms.**

3 (a) Pursuant to Government Code Section 86110, a lobbying firm shall maintain a cash  
4 receipts journal showing a record of all payments received in connection with lobbying activity.  
5 To the extent that payments received by a lobbying firm are only partially in connection with  
6 lobbying activities, the lobbying firm may keep records of payments received for lobbying  
7 separate from payments received in connection with non-lobbying activities. The cash receipts  
8 journal shall include for each payment received:

9 (1) The full name of the person making the payment;

10 (2) If the payment was made on behalf of another person, the full name of the person on  
11 whose behalf of the payment was made;

12 (3) The date the payment was received;

13 (4) The amount of the payment;

14 (5) If the payment was received during a calendar quarter after the calendar quarter in  
15 which services were provided, the calendar quarter in which the services were provided.

16 (b) A lobbying firm shall maintain a cash disbursements journal or other form of record  
17 showing:

18 (1) All activity expenses incurred or paid by the lobbying firm, including those  
19 reimbursed by a person who contracts with the lobbying firm for lobbying services;

20 (2) All monetary and non-monetary contributions of ~~\$ 25~~ \$25 or more made by the  
21 lobbying firm to state candidates, elected state officers and committees controlled by or primarily  
22 formed to support such candidates or officers; and

23 (3) All payments to any other lobbying firm with which the lobbying firm subcontracts.

1 (c) Every activity expense which must be reported by the lobbying firm shall be  
2 supported by original source documents, such as cancelled checks or legible images of cancelled  
3 checks, receipts, and invoices, indicating for each expenditure:

4 (1) The full name of the payee;

5 (2) The full name and official position of each elective state official, legislative official,  
6 state candidate or member of the immediate family of one of those individuals who was a  
7 beneficiary;

8 (3) The total number of all beneficiaries;

9 (4) A description of the goods or services or other consideration for which the  
10 expenditure was made or incurred;

11 (5) The date and total amount of the expenditure; and

12 (6) The amount of the expenditure attributable to each beneficiary.

13 ~~In the event it is impractical to obtain a receipt or an invoice to support any expenditure, a~~  
14 ~~written voucher shall be prepared to support such expenditure. This voucher shall be prepared in~~  
15 ~~a timely manner and shall contain the information described in paragraphs (1) through (6).~~

16 (d) Source documents required to be maintained under subdivision (c) include:

17 (1) Cancelled checks or legible images of cancelled checks, receipts and invoices;

18 (2) Credit card statements and credit card receipts;

19 (3) Contracts, agreements, correspondence and communications concerning the activity  
20 expense;

21 (4) Journals or other records showing payments made or incurred; and

22 (5) Invitations to lobbyist sponsored events, and rosters of attendees to such events.

1           ~~(d)~~ (e) In the event a lobbyist is unable to obtain a source document satisfying one the  
2 requirements of subdivision (c)(1) – (6), the lobbyist shall prepare a written dated voucher, or  
3 annotated receipt or invoice, documenting the required information as soon as practicable after  
4 the activity expense is made.

5 ~~(d)~~ (f) All monetary contributions of \$ ~~25~~ \$25 or more made by the lobbying firm to state  
6 candidates, elected state officers and committees controlled by or primarily formed to support  
7 such candidates or officers shall be supported by cancelled checks or legible images of cancelled  
8 checks, or other bank records. In addition, the lobbying firm shall keep records of monetary or  
9 non-monetary contributions of \$ ~~25~~ \$25 or more, indicating for each contribution:

10           (1) The full name and address of the payee;

11           (2) The full name and address of the recipient of the contribution if other than the payee;

12           (3) In the case of a non-monetary contribution, a description of the goods or services or  
13 other consideration provided; and

14           (4) The amount and date of the contribution. If the lobbying firm or a committee  
15 sponsored by the lobbying firm keeps records and files campaign statements with the Secretary  
16 of State pursuant to Chapter 4 of the Political Reform Act, no records are required by this  
17 subsection.

18           ~~(e)~~ (g) If the lobbying firm subcontracts with another lobbying firm for lobbying services,  
19 the payments to the subcontractor shall be supported by contracts, agreements, correspondence  
20 and communications, journal or other records showing payments made or incurred, cancelled  
21 checks or legible images of cancelled checks or other bank records. The lobbying firm records  
22 shall indicate for each payment:

23           (1) The full name of the subcontractor;

1 (2) The full name of the person for whom the subcontractor was retained to lobby; and

2 (3) The date and amount of the payment.

3 ~~(h)~~ (h) All records which must be kept by virtue of this regulation shall be maintained for

4 a period of five years from the date of the lobbying firm's final report for the calendar year for

5 which the activities were reported pursuant to Government Code Section 86114.

6 Note: Authority cited: Section 83112, Government Code. Reference: Sections 86110 and

7 91000.5, Government Code.