

1 Amend 2 Cal. Code Regs., Section 18625 to read:

2 **§§18625. Loans From Lobbyist or Lobbying Firm; Placing Official Under Personal**

3 **Obligation.**

4 (a) For purposes of Government Code Section 86205(a), placing an elected state officer,
5 legislative official, agency official, or state candidate the lobbyist or lobbying firm is registered
6 to lobby under personal obligation includes ~~arranging or making a loan whether secured or~~
7 ~~unsecured, to the elected state officer, legislative official, agency official or state candidate,~~
8 ~~either directly or through an agent.:~~

9 (1) Arranging or making a loan whether secured or unsecured, to the elected state officer,
10 legislative official, agency official or state candidate, either directly or through an agent.

11 (2) Failing to make sufficient efforts to collect debt for services provided to the elected
12 state officer, legislative official, agency official or state candidate.

13 (b) A lobbyist or lobbying firm “arranges” a loan when the lobbyist or lobbying firm:

14 (1) Refers the elected state officer, legislative official, agency official, or state candidate,
15 who is to be the recipient of the loan, to an individual for the purpose of facilitating the making
16 of the loan and has any contact with any individual to facilitate the making of the loan; or,

17 (2) Cosigns, guarantees, furnishes security for, or endorses the loan for the elected state
18 officer, legislative official, agency official, or state candidate.

19 (c) A lobbyist or lobbying firm fails to make sufficient efforts to collect debt for services
20 provided to the elected state officer, legislative official, agency official or state candidate if the
21 lobbyist or lobbying firm does not:

22 (1) Follow collection processes or procedures provided for in the contract with the
23 elected state officer, legislative official, agency official or state candidate.

1 (2) Follow collection processes or procedures employed by the lobbyist or lobbying firm
2 during its regular course of business in similar circumstances.

3 (3) Attempt in good faith and use best efforts to collect the debt.

4 (d) Notwithstanding subdivision (c), the lobbyist or lobbying firm will not be in violation
5 of Section 86205(a) if the lobbyist or lobbying firm initiates and pursues legal action, such as
6 filing a civil complaint or compelling binding arbitration, to collect the past due debt. Any
7 collection effort initiated pursuant to this subdivision must be initiated no later than 6 months
8 from:

9 (1) The last day of the month in which the unpaid services were provided; or

10 (2) The date of a candidate's election to office where payment for the services related to
11 the election is contingent on the candidate being elected.

12 Note: Authority cited: Sections 83112, Government Code. Reference: Sections 86205,
13 Government Code.