

Lobbyists beware: Georgia Campaign Finance Commission levies largest ever fine for lobbying non-compliance in advance of 2018 legislative session

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With the 2018 session of the Georgia General Assembly already underway, it is critical that elected officials and legislative stakeholders alike take note of the Georgia Government Transparency and Campaign Finance Commission's renewed focus on lobbying compliance and enforcement matters. Just a few weeks before the session's opening gavel, the Commission handed down its largest ever fine for violations of the lobbying provisions of the Georgia Government Transparency and Campaign Finance Act, signaling its intent to subject government affairs and procurement professionals to intense scrutiny during this campaign year.

After a lengthy investigation stemming from 38 individual complaints, late last month the Commission reached an agreement with Mr. David Simons of Savannah, finding that he had committed 10 separate violations of state lobbying law by failing to register as a lobbyist and failing to file appropriate lobbying expenditure disclosures for a period of time between 2012 and 2014. As a result of these violations, the Commission assessed a total of US\$15,100 in civil penalties and late fees to be paid over a two-year period.

This action against Mr. Simons is consistent with the Commission's stated intent to exercise greater vigilance and play a more expansive role in monitoring campaign finance, lobbying, and ethical matters under its authority moving forward, as detailed in our October 10, 2017 alert. Ensuring that you are in full compliance with Georgia's lobbying and disclosure laws is of the utmost importance. With lawmakers already hard at work in Atlanta, now is the time for individuals and entities involved in lobbying activities to review their compliance systems and seek advice on state registration and disclosure obligations.

As a reminder, Georgia law establishes a number of lobbyist categories that individuals must be mindful of as they engage with public officials and government employees around the state. State-level lobbyists include all individuals receiving more than US\$250 per year in compensation or making more than US\$1,000 in annual lobbying expenditures for the purpose of promoting or opposing the passage of legislation before the Georgia General Assembly or the appeal or veto of such legislation by the Governor. State-agency lobbyists include all individuals specifically hired to influence a public officer or state agency in the passage or defeat of an executive branch rule or regulation, any matter before the State Transportation Board or the award of a contract for goods or services by a state agency. Vendor lobbyists similarly include all individuals specifically hired to influence a public officer or state agency in the selection of a vendor to supply goods or services to the state. Finally, local-level lobbyists include all persons compensated specifically to promote or oppose the passage of local or municipal ordinances or resolutions by public officers throughout Georgia.

All four types of lobbyists must register with the Commission prior to engaging in any lobbying activity, regardless of whether such activity is on behalf of an employer, a lobbying or consulting client or any other compensating organization. Registered lobbyists are also required by law to file electronic disclosure reports pursuant to the Commission's mandatory filing schedule. These reports require the public disclosure of information regarding specific lobbying activities undertaken and lobbying expenditures made. For state lobbyists, they are generally due on a

bi-weekly basis during the legislative session and on a monthly basis during the rest of the year. Failure to properly register and report can, as we saw in December, result in significant civil penalties. Knowing violations of the registration and reporting rules can also result in criminal referrals to the Georgia Attorney General's Office.

With lobbying activity increasingly under the microscope in Georgia, it is essential that all stakeholders understand their legal duties and responsibilities. Regardless of the questions or challenges that arise, Dentons' Political Law, Ethics and Disclosure team is always available to provide advice and counsel, and to assist those both inside and outside of government in navigating the complexities of Georgia lobbying law.

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