

NEWSLETTER

Changes in the States: Alabama, California, Louisiana and North Carolina

January 2011

Alabama. In a special legislative session convened in mid-December, Alabama legislators passed more than a half-dozen bills amending the state's lobbying, ethics and campaign finance laws. The various changes go into effect on different dates, although the provision dealing with attempts to influence the award of a grant or contract with any department or agency of the executive, legislative and judicial branch took effect on January 1. A separate provision banning PAC-to-PAC transfers, a mechanism critics charged was frequently used to hide the true funding source for campaigns, went into effect in December with the Governor's signature. The remaining changes go into effect in March and will be discussed in a future issue of *Election Law News*.

California. Effective January 1, 2011, California's lobbying laws now extend to "placement agents" who do business with California's public retirement systems. As a result of this change, placement agents are now subject to the same registration, reporting and additional requirements that apply to other state-level lobbyists, including the gift limits, campaign contribution restrictions and contingency fee prohibitions. Persons acting as placement agents with respect to a local public retirement system also are now subject to the lobbying laws in that locality.

A separate bill passed by the legislature makes several other amendments to California's lobbying and campaign finance laws, and those changes also went into effect on January 1. Registration statements and amendments are explicitly required to be filed both electronically and physically, with the original and one copy transmitted in paper format. The new law also lowers the threshold for electronic filing of the reports submitted by lobbyists, lobbying

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wiley.law 1

firms, lobbyist employers and lobbying coalitions for payments, expenditures, expenses and gifts from \$5,000 to \$2,500 in a calendar quarter. The same law also lowered the electronic filing threshold for certain entities-including corporations registered as "major donor committees"-from \$50,000 to \$25,000 in a calendar year.

Louisiana. On January 1, 2011, the state began regulating the activities of "local government lobbyists," which extends the state's lobbying laws to communications with political subdivisions, including parishes, municipalities, school districts and special districts. The registration and reporting requirements applicable to local government lobbyists are generally the same as those that currently apply to legislative and executive branch lobbyists, although there are a small number of nuances in the reporting requirements for local government lobbyists.

North Carolina. During the 2010 legislative session, the North Carolina General Assembly amended the state's ethics and lobbying laws, and most of those changes went into effect on January 1, 2011. For corporate and association lobbyists and lobbyist employers, there are three important changes. First, reports by lobbyist employers will now be due 15 business days after the end of the reporting period. Second, the legislation added additional state employees to the definition of "public servant" for purposes of the lobbying and ethics laws. Third, lobbyist employers will be required, on the last report of the year, to report payments made to lobbyists for lobbying and payments made for activities related to lobbying such as research and drafting and monitoring legislation.

wiley.law 2