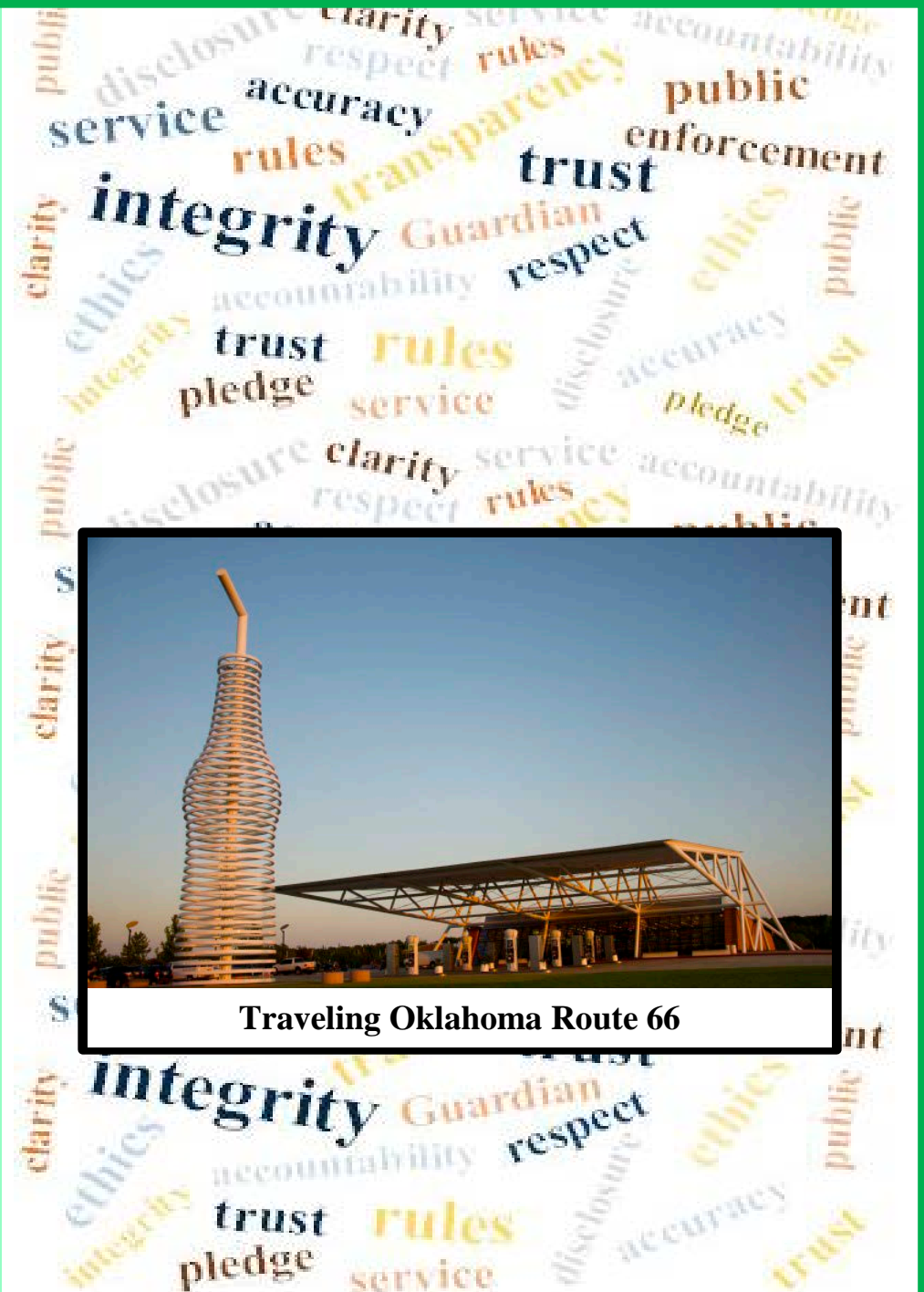




# Guide for Lobbyists



Traveling Oklahoma Route 66

## 2019-2020 Oklahoma Ethics Commission FAIR RULES. FIRM ENFORCEMENT.

“This publication is issued by the Oklahoma Ethics Commission as authorized by Executive Director, Ashley Kemp, pursuant to Ethics [Rule 1.8](#), and is located at the following website: <http://www.ethics.ok.gov>. This publication has been submitted in compliance with [Section 3-114 of Title 65 of the Oklahoma Statutes](#).” Guides are updated annually in July. This guide was updated on **August 30, 2019**.

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## The Commissioners

Five Commissioners serve on the Commission for the Oklahoma Ethics Commission, with a term of five years and no more than two terms. The Commissioners serve on a volunteer basis and are appointed on a staggered basis by the (1) Governor, (2) Chief Justice of the Oklahoma Supreme Court, (3) Attorney General, (4) President Pro Tempore of the Senate, and (5) Speaker of the House of Representatives.

- **Holly Johnson** – appointed by Chief Justice John Reif of the Oklahoma Supreme Court, term expires July 2021
- **Charles Laster** – appointed by Governor Mary Fallin, term expires July 2022
- **Cathy Stocker** – re-appointed by Attorney General Mike Hunter, term expires July 2022
- **Jarred Brejcha** – appointed by Speaker of the House Charles McCall, term expires July 2024
- **Gregg Engle** – appointed by Senate President Pro Tempore Greg Treat, term expires July 2024

## What's New to This Guide?

- **The registration and administration fee was lowered from \$250 to \$100 at the Commission meeting held June 14, 2019; this fee change will become effective July 1, 2019. Further, two new Commissioners were appointed to the Commission in July of 2019.**
- **This guide also contains modifications to some examples and clerical errors. However, no rule amendments were passed that affected the Ethics Rules for lobbyists.**
- **Note: State agencies should review Executive Order 2019-29 issued by Governor Stitt on July 5, 2019 that restricts state agencies from contracting with certain lobbyists. The Ethics Commission does not interpret Executive Orders; contact the Governor's office with questions.**

## I. Introduction

### **How to Use This Guide**

This guide summarizes the Rules of the Oklahoma Ethics Commission as applied to legislative liaisons, legislative lobbyists, executive lobbyists and lobbyist principals, effective July 1, 2019. It is written by the Commission staff to assist in compliance with the Ethics Rules, as authorized by [Rule 1.8](#). This guide is not a substitute for the law. If there is a conflict between this guide and the Constitution, statutes or Ethics Rules, then the Constitution, statutes or Ethics Rules prevail.

### **Limited Scope**

This guide is not intended to provide comprehensive information about all Ethics Rules and other relevant law concerning lobbying. Legislative liaisons, legislative lobbyists, executive lobbyists, and lobbyist principals should become familiar with the relevant constitutional and statutory provisions as well as with the Ethics Rules.

### **This Guide Is Limited to State Government Lobbying**

This guide only addresses Oklahoma law, specifically the Rules of the Oklahoma Ethics Commission, and is limited to lobbying at the state level. It does not address lobbying at the federal, county, municipal or school district levels.

### **Advisory Opinions**

[Rule 1.7](#) authorizes the Commission to issue official advisory opinions interpreting its Rules. Such advisory opinions are binding on the Commission. The Commission will consider an advisory opinion only as it applies to the person requesting the opinion, rather than third parties. Send advisory opinions requests to the Oklahoma Ethics Commission via email or mail.

### **Registration and Compliance Orders**

The Commission publishes the registration and administration fees for legislative lobbyists, executive lobbyists, legislative liaisons, and lobbyist principals on its website at [www.ethics.ok.gov](http://www.ethics.ok.gov).

The Executive Director is authorized to issue compliance orders to obtain compliance with these Rules. See [section II](#) on Enforcement and Compliance. [Rule 6.19](#).

### **Training and Education Fees**

The Executive Director is authorized to establish and collect fees for participation in training and educational seminars, classes and similar programs and materials. [Rule 1.8](#).

### **The Guardian System**

The Guardian System is the Commission's electronic filing system in which all reports are filed. Once a report is filed in The Guardian System, it is immediately available to the public online. Access The Guardian System on the Commission website at [www.ethics.ok.gov](http://www.ethics.ok.gov) or directly at <http://guardian.ok.gov>.

The Guardian System is accessible 24 hours a day, 7 days a week. All reports are due in The Guardian System on the specified filing date, **regardless of weekends and holidays**.

For more information on how to use The Guardian System, see the documents and the YouTube videos with step-by-step instructions on The Guardian System website. This information may be located in The Guardian System by clicking on the “Resources” tab and then clicking on “Publications” from the drop-down box.

#### **a. Guardian System Training**

One-on-one training is available upon request. Guardian training is unavailable the last 5 days of a filing period. Contact the Ethics Commission staff at (405) 521-3451 or [ethics@ethics.ok.gov](mailto:ethics@ethics.ok.gov) to make an appointment.

#### **Commission Website**

Additional information on compliance with the Ethics Rules is located on the Commission’s website at <http://www.ethics.ok.gov>.

#### **Contacting the Commission**

The Ethics Commission office is located in Room G-27 of the State Capitol. The Commission’s hours are **Monday through Friday from 8:30 a.m. to 5:00 p.m.**

- Telephone number: (405) 521-3451
- Fax number: (405) 521-4905
- E-mail: [ethics@ethics.ok.gov](mailto:ethics@ethics.ok.gov).
- Address: 2300 N. Lincoln Blvd., Rm G-27, Oklahoma City, OK 73105

Information regarding the Commissioners, the Ethics Commission staff, and the Commission meeting agendas and minutes is located on the Commission’s website at [www.ethics.ok.gov](http://www.ethics.ok.gov).

## **II. Ethics Commission Resources**

### **Ethics Rules and Guides**

The Ethics Commission provides the text of its rules and relevant guides on its website at [www.ethics.ok.gov](http://www.ethics.ok.gov). The guides provide an overview of the rules to assist with compliance.

### **Ethics Continuing Education Programs**

The Ethics Commission holds continuing education programs throughout the year to assist with the understanding of and compliance with the Ethics Rules. More information on the continuing education dates, times, and fees is available on the Ethics website.

### **Ethics Question of the Week**

The Ethics Commission frequently posts answers to frequently asked questions on homepage of the Ethics Commission website at [www.ethics.ok.gov](http://www.ethics.ok.gov).



### **GovDelivery Notification System**

Sign up on the Ethics Commission website ([www.ethics.ok.gov](http://www.ethics.ok.gov)) to receive Ethics Commission notifications via text message or email. Users may subscribe to receive information from the Commission on specific topics, such as lobbyist news, rule updates, continuing education programs, commission meetings, etc.

### **Ethics Commission Is On Social Media**

Follow the Ethics Commission on social media platforms to view updates on Ethics Commission news.

- Follow @EthicsOKgov on Twitter
- Like us on Facebook: <https://www.facebook.com/EthicsOKgov/>

## **III. Understanding Lobbying**

### **What Lobbying Is**

“Lobbying” generally means oral or written communications with regard to the passage, defeat, formulation, modification, interpretation, amendment, adoption, approval or veto of any legislation, rule, regulation, executive order or any other program, policy or position of state government. Lobbying must be on behalf of a lobbyist principal.

Lobbying does not mean testimony given before or submitted in writing to a committee or subcommittee of the Legislature, nor a speech, article, publication or other material that is widely distributed, published in newspapers, magazines or similar publications or broadcast on radio or television. [Rule 5.2\(3\) and \(7\)](#).

### **Types of Lobbyists Under the Ethics Rules**

There are three types of lobbyists under the Ethics Commission Rules:

1. Legislative Lobbyists
2. Legislative Liaisons
3. Executive Lobbyists

#### **a. Legislative Lobbyists**

Legislative lobbyists are not state officers or employees but may be employees of political subdivisions (counties, municipalities, school or technology center districts). Legislative lobbyists are individuals who are compensated to represent a lobbyist principal(s) upon lobbying the Governor, the Legislature, and their staff.

**In-house lobbyist:** Some legislative lobbyists represent only one lobbyist principal. Although such lobbyists’ business relationship with the lobbyist principal may be as an independent contractor, they are often full-time employees of the lobbyist principal. In instances where the

lobbyist is an employee of the lobbyist principal, the lobbyist is sometimes called an “in house lobbyist.”

**Contract Lobbyists:** Other legislative lobbyists may lobby on behalf of numerous clients. These lobbyists often are called “contract lobbyists” because they typically are independent contractors who provide lobbying services under contract with different lobbyist principals. [Rule 5.2\(8\)](#)

*i. Individuals Who Are Not Legislative Lobbyists*

Not all individuals who engage in lobbying activities on behalf of lobbyist principals are considered legislative lobbyists. Individuals who are employed by or contract with a lobbyist principal, but whose lobbying activities are only incidental to and not a significant part of the services provided by the individual to the lobbyist principal, are not considered legislative lobbyists. For example, the chief executive officer of a corporation that is a lobbyist principal may occasionally engage in lobbying activities, but those activities could be incidental to and not a significant part of the services he or she provides to the company and those lobbying services are not what the executive officer is compensated to perform.

In addition, individuals who are not compensated for lobbying activities are not considered legislative lobbyists, nor are federal officials acting in their official capacity. Lastly, any person exercising his or her individual right to petition the government and receives nothing of value for lobbying is not considered a legislative lobbyist. [Rule 5.2\(8\)](#).

If unsure whether you are required register as a legislative lobbyist, contact the Oklahoma Ethics Commission with the relevant facts.

*ii. State Officers and Employees Cannot Be a Legislative Lobbyist*

No state officer or state employee may be a legislative lobbyist. A state employee may not lobby for a lobbyist principal other than the agency that employs the state employee. This prohibition also applies to members of boards, commissions, authorities and similar public bodies of state agencies. [Rule 5.28](#).

**b. Legislative Liaisons**

Legislative liaisons are state officers and employees whose duties in fact include legislative lobbying, regardless of their job title or job description. [Rule 5.2\(6\)](#).

*i. Individuals Who Are Not Legislative Liaisons*

A state officer or employee whose lobbying activities are only incidental to and not a significant part of the services provided by the individual to the agency is not necessarily a legislative liaison. For example, an agency director may occasionally engage in lobbying activities, but those activities could be incidental to and not a significant part of the services he or she provides to the agency. Other agency directors may find that lobbying activities constitute a significant part of their responsibilities to their agencies and thus, would be considered legislative liaisons. [Rule 5.2\(6\)](#).

If unsure whether you are required register as a legislative liaison, contact the Oklahoma Ethics Commission with the relevant facts.

*ii. Every State Agency Must Have at Least One Legislative Liaison*

Every agency must have at least one legislative liaison unless the agency falls within one of two of the following exceptions:

**Exception 1:** The agency contracts with a private legislative lobbyist to provide lobbying services for the agency; or

**Exception 2:** The agency meets each of following two conditions:

1. All officers and employees of the agency provide information to the Governor or a legislator only at the request of the Governor or the legislator or as required by law; and
2. No officer or employee of the agency has requested legislation or other legislative action other than an appropriation for the agency. [Rule 5.2\(6\)](#).

**c. Executive Lobbyists**

Executive lobbyists are individuals who are employed or retained by a lobbyist principal for compensation to lobby state officers and employees of executive agencies.

**In-house Lobbyists:** Some executive lobbyists may lobby for only one lobbyist principal. When these lobbyists are employees of the lobbyist principal, they are sometimes called “in house lobbyists.”

**Contract Lobbyists:** Other executive lobbyists may lobby on behalf of numerous clients. These lobbyists often are called “contract lobbyists” because they typically are independent contractors who provide lobbying services under contract with different lobbyist principals. [Rule 5.2\(4\)](#).

*i. Individuals Who Are Not Executive Lobbyists*

Not all individuals who engage in lobbying activities on behalf of lobbyist principals are considered executive lobbyists. Individuals who are employed by or contract with a lobbyist principal, but whose lobbying activities are only incidental to and not a significant part of the services provided by the individual to the lobbyist principal, are not considered executive lobbyists. For example, the chief executive officer of a corporation that is a lobbyist principal may occasionally engage in lobbying activities, but those activities could be incidental to and not a significant part of the services he or she provides to the company.

In addition, individuals who are not compensated for lobbying activities are not considered executive lobbyists, nor are federal officials acting in their official capacity. Lastly, any person exercising his or her individual right to petition the government, who receives nothing of value for lobbying, is not considered an executive lobbyist. [Rule 5.2\(4\)](#).

If unsure whether you are required register as an executive lobbyist, contact the Oklahoma Ethics Commission with the relevant facts.

*ii. State Officers and Employees Cannot Be Executive Lobbyists*

No state officer or state employee may be an executive lobbyist. This prohibition also applies to members of boards, commissions, authorities and similar public bodies of state agencies. [Rule 5.28](#).

**Individuals May Be Both Legislative and Executive Lobbyists**

An individual may be both a legislative lobbyist and an executive lobbyist if he or she meets the definitions. This individual is only required to file one registration with the Ethics Commission, and he or she will follow the report filing schedule of a legislative lobbyist. See [section III](#) for more information on registration requirements and [section IX](#) for information on report filing periods.

**Lobbyist Principals**

Lobbyist principals are persons or entities—including state agencies and institutions—that employ or retain another person for compensation to conduct executive or legislative lobbying on behalf of the lobbyist principal. [Rule 5.2\(9\)](#).

**a. Private Sector Principals**

Private sector lobbyist principals often are associations or organizations that represent their members. Frequently, members of these associations or organizations include both individuals and business entities, such as corporations.

It is sometimes the case that a business organization will be represented through an association and will have its own legislative lobbyist as independent representation. For example, a widget manufacturer could contract with its own lobbyist and could be a member of a widget makers association that contracts with a different lobbyist.

**b. State Agency Principals**

State agencies may be lobbyist principals. The generic term “agency” is all encompassing. State offices, departments, institutions, boards, bureaus, commissions, agencies, authorities and instrumentalities of the State of Oklahoma all are considered to be an “agency.” An agency is an entity in the executive branch of state government (1) created by the Constitution or statutes and supported in whole or in part by state funds; (2) entrusted with the expending of state funds or administering state property; or (3) otherwise exercising the sovereign power of the State of Oklahoma.

There are two exceptions: (1) city, county, rural electric cooperative or tribal housing authorities created under the Oklahoma Housing Authorities Act; and (2) any state entity that performs only advisory functions and that cannot independently exercise the sovereign power of the State of Oklahoma.

Unless the agency is excluded by meeting one of the two exceptions described above, it is an agency that may have a legislative liaison, legislative lobbyist or both. [Rule 5.2\(1\) and \(9\)](#).

### c. Who Does Not Qualify as a Lobbyist Principal?

The term “lobbyist principal” does not include individual members, partners, officers or shareholders of an agency, corporation, association, firm, joint venture, joint stock company, syndicate, business trust, estate, company, partnership, limited partnership, organization, committee or club, or a group of persons voluntarily acting in concert.

For example, Jones is a member of a professional association that retains a legislative lobbyist to lobby for the association. Neither Jones nor the corporation is a lobbyist principal; the association is the lobbyist principal. In other words, it is the organization itself—not an individual member of the organization—that is the lobbyist principal. [Rule 5.2\(9\)](#).

### d. Lobbyist Principals May Have Both Legislative and Executive Lobbyists

Lobbyist principals may simultaneously employ or retain both legislative lobbyists and executive lobbyists.

### **Lobbyist and Lobbyist Principal Identification Are Required to be Disclosed**

When engaged in lobbying activities, a legislative liaison, legislative lobbyist or executive lobbyist is required, either orally or in writing, to identify the lobbyist principal or principals on whose behalf the lobbying activities are being conducted. Any state officer or state employee who is being lobbied may request such information. [Rule 5.27](#).

#### **Section Summary:**

- Legislative lobbying is directed toward the Governor, the Legislature, and their staff. Legislative lobbyists are not state officers or employees; however, legislative lobbyists may lobby on behalf of a state agency under a contract with that agency. Most often, however, legislative lobbyists lobby on behalf of private sector lobbyist principals.
- Legislative liaisons are state officers and employees who lobby on behalf of the state agency that employs them.
- Executive lobbyists do not lobby the Governor, the Legislature, or their staff; instead, they lobby the officers and employees of state executive branch agencies.
- State officers and employees cannot be legislative lobbyists or executive lobbyists.
- An individual, who is not a state officer or employee, can be both a legislative and an executive lobbyist.
- A lobbyist principal is the entity on whose behalf a lobbyist performs lobbying activities.
- Lobbyist principals may retain both legislative and executive lobbyists at the same time.
- Lobbyists must disclose that they are lobbyists and their lobbyist principal(s) when engaged in lobbying activities.

## IV. Enforcement and Compliance

The Ethics Commission is constitutionally required to enforce its rules.

The Executive Director is authorized to issue compliance orders to obtain compliance with these rules, including late filing fees. A compliance order may direct certain actions, including payment of fees. [Rule 6.3](#) and [6.19](#).

For enforcement matters that include rule violations of a more serious nature than those capable of adequate handling through the compliance order process, including repetitive failure to comply with Compliance Orders, the Commission may pursue a more formal complaints and investigations process. This process is handled by the Commission rather than Commission staff and may result in district court action. [Rule 6.3](#) and [6.12](#).

## V. Registration Requirements

### **Annual Registration for Legislative Liaisons, Legislative Lobbyists, and Executive Lobbyists**

Every legislative liaison, legislative lobbyist, and executive lobbyist must register with the Ethics Commission each year that the liaison or lobbyist engages in lobbying. Liaisons and lobbyists are required to register or renew their registration for the following year during the registration and renewal period, which begins December 1st of each year. The registration and renewal period ends January 15<sup>th</sup> of the year for which the lobbyist is registering.

Such registrations are annual registrations, valid for one calendar year and automatically expiring December 31<sup>st</sup>. A lobbyist or liaison, who will no longer be lobbying in Oklahoma, may terminate a registration prior to December 31<sup>st</sup> by filing a termination report in The Guardian System. See [section IV](#) for more information on registration termination.

If a liaison or lobbyist is designated after the registration period, that liaison or lobbyist must register within 5 days of engaging in lobbying activities. [Rule 5.3](#) and [5.5](#).

#### **a. Who Registers with the Ethics Commission**

All legislative lobbyists, legislative liaisons and executive lobbyists who will engage in lobbying for the registration year will register with the Ethics Commission. Lobbyists and Liaisons will register the lobbyist principals they will represent for the registration year. In other words, lobbyist principals do not have an independent registration requirement or Guardian System account. [Rule 5.3](#) and [5.5](#).

#### **b. Register in The Guardian System**

Electronic registration is required in The Guardian System unless ordered otherwise by the Ethics Commission or the Executive Director of the Commission. Access The Guardian System from the Commission website at [www.ethics.ok.gov](http://www.ethics.ok.gov) or directly at <http://guardian.ok.gov>.

Information required upon registration includes the following: the name of the legislative liaison, the legislative lobbyist or the executive lobbyist; business address, electronic mail address and business telephone numbers; the name and address of the agency for whom the liaison lobbies;

and the date of the registration or the name, address, and contact information for the lobbyist principal or principals for whom the lobbyist lobbies. This information is necessary to permit the Commission to contact the legislative liaison, legislative lobbyist, executive lobbyist or the lobbyist principal quickly, should the need arise.

The Commission requires a contact for the lobbyist principal that serves as a point of contact other than the lobbyist. Lobbyist principals are engaging in regulated activity in the state of Oklahoma, and the Commission must be able to communicate directly with a representative of those lobbyist principals. Typically, this will be the information of the person authorizing the contract for the lobbyist. A lobbyist shall not put his or her own information for the lobbyist principal contact information.

Information must be accurate and specific. Acronyms and abbreviations cannot be used. For example, if the name of an agency is the Department of Social Welfare, that is the name that should be used, not “DSW” or “Dept. of Social Welfare.” [Rules 2.122](#), [5.3](#) and [5.5](#).

### c. Registration and Administration Fees

As of July 1, 2019, legislative liaisons, legislative lobbyists and executive lobbyists are required to pay a \$100 registration and administration fee to register with the Ethics Commission. **There is also a \$100 registration and administration fee for each lobbyist principal.** If a lobbyist principal has multiple lobbyists, only one of the lobbyists will pay the \$100 for that lobbyist principal.

This fee may be reimbursed by the agency for which the legislative liaison lobbies or by the lobbyist principal or principals for whom the legislative lobbyist lobbies. Registration is not complete until the fee is paid. The fee can be paid via credit card in The Guardian System, or by check or cash to the Ethics Commission. Payments made via credit card will have an additional service charge. An agency may request to be invoiced the fee by emailing [ethics@ethics.ok.gov](mailto:ethics@ethics.ok.gov). [Rule 6.19](#).

#### **Section Summary:**

- All active legislative lobbyists, legislative liaisons, and executive lobbyists must register with the Ethics Commission in The Guardian System and pay the registration and renewal fee for the individual lobbyist and the lobbyist principal. If a lobbyist principal has multiple lobbyists or liaisons, only one lobbyist or liaison is required to pay the lobbyist principal registration fee.
- The registration and renewal period occurs annually from Dec. 1st - Jan. 15th.
- Those who become lobbyists or liaisons outside of the registration and renewal period must register with the Ethics Commission within 5 days of engaging in lobbying activities.
- Once registered with the Commission, the lobbyist is required to file reports until the committee is terminated.
- Lobbyists or liaisons who cease lobbying activities in Oklahoma prior to December 31st are required to terminate their registration and file a final expenditures report.
- Compliance orders may be issued, including late filing fees for late filed reports, and/or late registration or renewal.

## **VI. Expiration and Termination of Registration**

### **Legislative Liaison and Legislative Lobbyist Termination**

Often, the work performed by legislative liaisons and legislative lobbyists is permanent in nature and continues from year to year. However, it is necessary for a liaison or lobbyist to register each year that he or she engages in lobbying activities to keep their registration current and active.

If a lobbyist or liaison files all of his or her reports for a calendar year and is not going to lobby in the upcoming year, that lobbyist or liaison may allow their account to expire on Dec. 31<sup>st</sup>. However, the lobbyist is required to file reports in The Guardian System until (1) all reports are filed for that calendar year or (2) the account is terminated.

A legislative liaison or legislative lobbyist whose lobbyist activities will cease in Oklahoma may terminate his or her registration by (1) filing any outstanding reports, (2) clicking the “terminate registration” button in the Guardian System, and (3) filing a final expenditure report that includes all activity up to the termination date.

It is important to remember that lobbyists terminating registration should only do so if they are no longer lobbying in the state of Oklahoma. Those lobbyists who simply are lobbying for a different lobbyist principal will not terminate their registration; instead, they will amend their registration within 5 days of the lobbyist principal change. [Rule 5.4](#).

#### **a. Lobbyist Is Liable for Late Filing Fees If Failed to Terminate**

If a lobbyist ended his or her lobbying activities for good in the state of Oklahoma prior to December 31<sup>st</sup>, did not file all the reports required in that calendar year, and did not terminate the registration in advance of reports being due, the lobbyist is responsible for the late filing, not the lobbyist principal. See [section II](#) for information on compliance and enforcement.

### **Executive Lobbyist Termination**

Often, the work performed by executive lobbyists is ad hoc, rather than permanent in nature. Nevertheless, executive lobbyists are required to continue filing lobbyist expenditure reports as long as their registration is active. An executive lobbyist whose work ended in May, for example, would be required to file quarterly Reports until he or she filed all reports required in that calendar year or (2) his or her registration was terminated.

Executive lobbyists are required to register each year they engage in lobbying activities unless they (1) file all reports required in that calendar year and did not renew their registration by Dec. 31<sup>st</sup> or (2) terminate their registration in the Guardian System. To terminate their registration, the lobbyist must (1) file any outstanding reports, (2) click the “terminate registration” button, and (3) file a final expenditure report that includes all activity up to the termination date.

It is important to remember that lobbyists terminating registration should only do so if they are no longer lobbying in the state of Oklahoma. Those lobbyists who simply are lobbying for a different lobbyist principal will not terminate their registration; instead, they will amend their registration either during the renewal process or at the time the lobbyist principal changes.

[Rule 5.5](#).



### a. Lobbyist Is Liable for Late Filing Fees If Failed to Terminate

If a lobbyist ended his or her lobbying activities for good in the state of Oklahoma prior to December 31<sup>st</sup>, did not file all the reports required in that calendar year, and did not terminate the registration in advance of reports being due, the lobbyist is responsible for the late filing, not the lobbyist principal.

#### **Section Summary:**

- Lobbyists who are active in the Guardian System must file reports until (1) all reports for that calendar year are filed or (2) the account is terminated.
- A lobbyist will only terminate or allow their registration to expire when they are no longer lobbying in the state of Oklahoma. Lobbyists who merely change lobbyist principals will not terminate their registration; instead, they will update the lobbyist principal on the registration document in the lobbyist's active account in the Guardian System.
- If a lobbyist files all the required reports in a calendar year and is not going to lobby in the next calendar year, that lobbyist may allow their account to expire by not renewing their registration by December 31<sup>st</sup>. However, all required reports must be filed if the account is still active. If a lobbyist is no longer lobbying mid-year, the lobbyist may terminate their registration prior to the December 31<sup>st</sup> expiration and will not be required to file all reports for the calendar year. Lobbyists will only terminate their registration mid-year if they are no longer engaged in lobbying activities, but such lobbyists must report all lobbyist activities prior to terminating the account.
- If a lobbyist is no longer lobbying in Oklahoma, does not file all required reports in that calendar year, and does not terminate his/her registration, then the lobbyist, not the lobbyist principal, is responsible for late reports.

## **VII. Gifts by Legislative Liaisons, Legislative Lobbyists and Executive Lobbyists**

### **Gifts Prohibited Unless Specifically Permitted**

**Legislative Lobbyists and Liaisons:** Legislative liaisons and legislative lobbyists cannot provide a gift to the Governor, a legislator or any employee of the Governor or the Legislature unless the gift is specifically permitted by the Ethics Rules.

**Executive Lobbyists:** Similarly, executive lobbyists cannot provide a gift to any officer or employee of the agency being lobbied unless the gift is specifically permitted by the Ethics Rules.

This prohibition applies to the lobbyist or lobbyist principal making the gift and the state officer or employee who receives it. [Rule 5.6](#).

A legislative liaison, legislative lobbyist or executive lobbyist may not indirectly provide a gift to a state officer or employee by providing a thing of value to a family member of the state officer or employee. "Family members" include the spouse, children (including stepchildren), mother, father, sister or brother. [Rules 5.2\(5\)](#) and [5.6](#).

## **Permissible Meals and Gifts from Liaisons and Lobbyists**

The following specifically addresses permissible meals and gifts from legislative liaisons, legislative lobbyists and executive lobbyists, not lobbyist principals, to state officers and employees. For information on lobbyist principal activities, see [sections VI](#) and [VII](#).

### **a. Limit on Meals – Limited to \$500 per Individual per Calendar Year**

A legislative liaison or a legislative lobbyist may spend up to \$500 per calendar year for meals for the Governor, per any individual legislator, or per any individual employee of the Governor or the Legislature.

An executive lobbyist may pay up to \$500 per calendar year for meals per any officer or employee of the agency being lobbied.

This limit applies regardless of the source of funds used for payment, including a lobbyist's or liaison's personal funds, or funds given to or otherwise reimbursed to the lobbyist or liaison by the lobbyist principal. [Rules 5.7](#) and [5.10](#). Lobbyist principals are generally prohibited from providing food or beverage other than those specifically allowed as described in [sections VI](#) and [VII](#); [Staff Memorandum 2015-04](#).

The aggregate total of all meals provided to an individual by a legislative liaison, legislative lobbyist or executive lobbyist, and any gifts given by liaisons and lobbyists on “infrequently occurring occasions of personal significance” are added together and may not exceed \$500 during a calendar year. See more information on infrequently occurring occasions of personal significance under the Special Occasions section. [Rules 5.8](#) and [5.11](#).

#### ***i. Attendance Requirement for Meals***

A legislative lobbyist, liaison or executive lobbyist that provides a meal for a state officer or employee must attend the meal with the recipient. [Rule 5.6](#).

### **b. \$10 “Trinket” Gifts**

A legislative liaison, legislative lobbyist or executive lobbyist may provide a gift of any **single item** with a fair market value not exceeding \$10 to any state officer or employee one time during any calendar year without incurring any reporting obligations. Subsequent gift(s) are prohibited if the gifts do not fall within another exception. [Rule 5.13](#).

### **c. Modest Items of Food and Refreshment**

A legislative liaison, legislative lobbyist, or executive lobbyist may provide modest items of food and refreshments to any state officer or employee **when offered other than as part of a meal**. This provision includes items, such as soft drinks, coffee, doughnuts, and similar items provided other than as part of a meal. These items do not include alcoholic beverages, including low-point beer, or items such as hors d'oeuvres and similar fare. This exclusion is intended to apply to occasional random events and not regular repeated events. [Rule 5.12](#).

**Example 1:** Jane Doe is a legislative lobbyist in Oklahoma. She holds a legislative meet and greet in January and provides cookies, soft drinks, and water. This would qualify as modest items of food and refreshment is not required to be reported.

**Example 2:** Same example as above, except Jane Doe hosts the legislative meet and greet every Monday during legislative session. Jane Doe must now identify all legislators and legislative staff that attend and report the cost of the cookies, soft drinks, and water on an individual basis because the food and beverage are provided regularly by the lobbyist.

**d. Gifts for Special Occasions (“Infrequently Occurring Occasions of Personal Significance”) – Limited to \$100 per Individual per Calendar Year**

**Legislative lobbyists and liaisons.** A legislative liaison or a legislative lobbyist may make a gift to the Governor, any legislator, or any employee of the Governor or the Legislature in recognition of infrequently occurring occasions of personal significance (i.e., a major life event). [Rule 5.8](#)

**Executive Lobbyists.** An executive lobbyist may provide a gift to any officer or employee of the agency being lobbied in recognition of infrequently occurring occasions of personal significance (i.e., a major life event). [Rule 5.11](#).

The limit for gifts given on infrequently occurring occasions of personal significance is \$100 for each individual recipient in any calendar year. These gift limits are included within the \$500 limit on meals and gifts. In other words, the aggregate total of all meals provided to an individual by a legislative liaison, legislative lobbyist or executive lobbyist and any gifts given on a special occasion are added together and may not exceed \$500 during a calendar year.

**Frequency & Purpose Requirements:** A gift under this rule must be given on an occasion that is less frequent than an annual occasion and made in recognition of a major life event that is personally significant to the recipient in order for such a gift to be permitted within the meaning of Ethics [Rules 5.8](#) and [5.11](#). See [Advisory Opinion 2018 OK Ethics 01](#); [Rules 5.8](#) and [5.11](#).

**Timing Requirement:** In addition, the gift must be given contemporaneously with the occasion or at times when such gifts are traditionally given. [Rule 5.8](#) and [5.11](#). If the gift includes a meal or attendance at an event, the liaison or lobbyist must attend the meal or event with the recipient. [Rule 5.6](#).

**Example:** Jane Doe, a member of the Legislature, has a child on May 1, 2018. John Smith, a lobbyist, wants to give a baby blanket to Jane Doe for the birth of her child that is valued at \$100. John Smith provides the gift at a baby shower held March 20, 2018. Although the gift may not be contemporaneous, it is provided at a baby shower, which is a time when baby gifts are traditionally given. Since John Smith gave such gift, he may only spend up to \$400 on meals for Jane Doe for the remainder of the calendar year.

**Family Members of State Officers & Employees:** The rules also provide that such gifts may be made to a family member of the Governor, any legislator, or any employee of the Governor or the

Legislature provided the family member is “a party to” the following specific situations: “a marriage, serious illness, birth or adoption of a child or retirement.” “Family members” include the spouse, children (including stepchildren), mother, father, sister or brother. Gifts to family members count against the meal and gift limit for the state officer or employee. The same is true for family members of state officers and employees who receive gifts from executive lobbyists. [Rules 5.2\(5\), 5.8](#) and [5.11](#); [Staff Memorandum 2015-05](#).

### **Section Summary**

The following are the meals and gifts legislative lobbyists, legislative liaisons and executive lobbyists may provide:

- Meals and gifts in the aggregate are limited to \$500 per calendar year
  - Up to **\$100** in the aggregate out of the **\$500** aggregate total can be used for “infrequently occurring occasions of personal significance”
    - The special occasion gift must be given and received **contemporaneously** with the occasion or at times when such gifts are traditionally given.
    - Any meals or gifts that include attendance **require the attendance** of the lobbyist or liaison.
    - Annual events, such as birthdays, will not qualify as special occasion.
- One \$10 “Trinket” Gift per state officer or employee per calendar year (not required to report)
- Modest Items of Food or Refreshment (not required to report)

## **VIII. Permissible Activities by Lobbyist Principals of Legislative Liaisons and Legislative Lobbyists**

### **Section Scope**

The limits described in this section assume the following about a lobbyist principal: the lobbyist principal (1) is not a current vendor of the agency; or (2) is not a vendor selling or seeking to sell to the agency, and the officer or employee is not engaged in a purchasing decision, as described in Ethics [Rule 4.8](#). If the lobbyist principal is a vendor, then the rules set forth in Ethics Rule 4 should be reviewed. Vendors, who may also be lobbyist principals, are subject to additional restrictions that are not the subject of this guide. For assistance in complying with the applicable Ethics Rules, access the “Guide for State Officers and Employees” and other materials made available on the Commission’s website at [www.ethics.ok.gov](http://www.ethics.ok.gov).

### **Gifts, Food and Beverages Prohibited Unless Specifically Permitted**

A lobbyist principal cannot provide a gift, food or beverages to any state officer or employee unless it is specifically permitted by the Ethics Rules. The prohibition applies to both the lobbyist principal making the gift or providing the food or beverage(s) and the state officer or employee who receives it.

A lobbyist principal may not indirectly provide a gift to a state officer or employee by providing a thing of value to a family member of the state officer or employee. “Family members” include the spouse, children (including stepchildren), mother, father, sister or brother. [Rules 5.2\(5\)](#) and [5.6](#)

The following information specifically addresses lobbyist principal activities, not lobbyist or liaison meals and gifts. However, the lobbyist or liaison must be aware of these rules because the lobbyist will report this activity on behalf of the lobbyist principal. Further, it is important to note the distinction with such rules because only lobbyists may expend funds for a meal to an individual legislator. For information on lobbyist or liaison meals and gifts, see [section V](#). [Rule 5.6](#); [Staff Memorandum 2015-04](#).

### **Permissible Gifts, Food and Beverages from a Lobbyist Principal**

#### **a. Plaques, Trophies or Similar Acknowledgement of Service**

A lobbyist principal may give a plaque, trophy or similar item suitable for display no more than once per year to a state officer or employee in acknowledgement of the officer or employee’s public service. The item cannot exceed \$200 in value (including tax) and must be reported in a Lobbyist or Liaison Expenditures Report. [Rule 5.13](#).

#### **b. \$10 “Trinket” Gift**

A lobbyist principal may provide a gift of any **single item** with a fair market value not exceeding \$10 to any state officer or employee one time during any calendar year without incurring any reporting obligations. Subsequent gifts are prohibited if the gifts do not meet another exception. [Rule 5.13](#).

#### **c. Modest Items of Food and Refreshments**

A lobbyist principal represented by a legislative lobbyist or liaison may provide modest items of food and refreshments to any state officer or employee **when offered other than as part of a meal**. This provision includes items, such as soft drinks, coffee, doughnuts, and similar items provided other than as part of a meal. These items do not include alcoholic beverages, including low-point beer, or items such as hors d’oeuvres and similar fare. This exclusion is intended to apply to occasional, random events and not regular repeated events. [Rule 5.12](#).

#### **d. Events to Which All Members of the Legislature Are Invited**

A lobbyist principal represented by a legislative lobbyist or liaison employing or retaining a legislative liaison or legislative lobbyist may provide food and beverage for one event per year to which all members of the Legislature are invited provided the event is reported as required by the Ethics Rules. More than one lobbyist principal may provide food and beverage for such an event, but a lobbyist principal may not participate in more than one such event during a calendar year.

Lobbyist Principals are required to provide information to their registered lobbyists in a timely manner in order for the lobbyist to appropriately report such event to the Ethics Commission. [Rule 5.14](#).

### e. Caucus Events

A lobbyist principal represented by a legislative lobbyist or liaison employing or retaining a legislative liaison or legislative lobbyist may provide food and beverages for a meeting of an officially recognized party's political caucus of either the House or Senate no more than once per calendar year per caucus provided the event is reported as required by the Ethics Rules. More than one lobbyist principal may provide food and beverages for such an event, but no lobbyist principal may participate in more than one such event per calendar year for any caucus.

“Political caucus” means a caucus of legislators of a political party recognized under state law. The only caucuses that currently qualify are the Senate Republican caucus, the Senate Democrat caucus, the House Republican caucus and the House Democrat caucus. Other “caucuses” organized by members of the Legislature do not qualify. Consequently, a lobbyist principal may participate in one event per calendar year for each of these four caucuses.

**Note that an outing of all members of a political caucus may not qualify for this exception. To qualify, the caucus must engage in caucus business.**

Further, lobbyist principals are required to provide information to their registered lobbyists in a timely manner in order for the lobbyist to appropriately report such event to the Ethics Commission. [Rule 5.15](#).

### f. Legislative Committee and Subcommittee Events

A lobbyist principal employing or retaining a legislative liaison or legislative lobbyist may provide food and beverages for an event to which all members of a committee or subcommittee of the Senate or House of Representatives are invited provided the event is reported as required by the Ethics Rules. **The event must be held in the Capitol building, and it must be attended by a majority of the members of the committee or subcommittee.** Sufficient records of those in attendance is necessary to maintain such information.

To qualify for this type of event, the committee or subcommittee must be identified in the Rules or Journal of the respective legislative body. Additionally, this provision does not include legislators who are not members of the committee or subcommittee, nor legislative staff members who do not officially or regularly provide staff services for the committee or subcommittee. Food and beverage provided to legislators or legislative staff that are not members of or staffers for the committee or subcommittee must be reported individually as a meal from the lobbyist, and that expense will count toward the lobbyist's \$500 aggregate limit for meals and gifts for that individual.

More than one lobbyist principal may provide food and beverage for such an event, but no lobbyist principal may participate in more than one such event per calendar year for any committee or subcommittee.

Lobbyist Principals are required to provide information to their registered lobbyists timely in order for the lobbyist to report such event to the Ethics Commission. [Rule 5.16](#).

### **g. Out-of-State Events**

A lobbyist principal employing or retaining a legislative liaison or legislative lobbyist may provide food and beverages for an event at a professional conference, seminar or other similar meeting conducted outside the geographical boundaries of the State of Oklahoma provided the event is reported as required by the Ethics Rules.

**Only Oklahoma state officers and employees who are participating in the event may be invited. A minimum of five state officers and employees must participate.** Sufficient records of those in attendance must be maintained by the lobbyist.

If fewer than five state officers or employees participate, then the lobbyist will report the expense as an expenditure from the lobbyist to each individual and the expense is taken out of the \$500 aggregate limit for meals and gifts from the lobbyist.

More than one lobbyist principal may provide food and beverage for such an event, but no lobbyist principal may participate in more than one such event per calendar year. [Rule 5.17](#).

Lobbyist Principals are required to provide information to their registered lobbyists in a timely manner in order for the lobbyist to appropriately report such event to the Ethics Commission.

### **h. Tickets from an Agency to a Conference, Seminar or Lecture Sponsored in Whole or Part by the Agency**

Lobbyist principals **that are state agencies** may provide two tickets to any conference, seminar, lecture or similar event held within Oklahoma and sponsored in whole or part by the agency to the Governor, any legislator or any employee of the Governor or Legislature. The tickets must be used by the recipient or a family member of the recipient. [Rule 5.6](#).

### **i. Tickets or Sponsorships for Community, Civic and Charitable Events**

A lobbyist principal may purchase tickets for or otherwise provide sponsorship for a bona fide community, civic or charitable reception, breakfast, luncheon, or dinner attended by state officers and employees who are guests of the sponsoring organization.

Such activities must be customary for the lobbyist principal, and the lobbyist principal may not designate state officers or employees to be guests. In other words, the tickets must be provided to state officers or employees generally. [Rule 5.18](#).

If a lobbyist, on behalf of a lobbyist principal, designates a state officer or employee as a guest, the cost of attendance must be reported and counts toward any applicable meal and gift limits. For an event that is a meal, the cost of the ticket to attend is reported as a meal. See [Staff Memorandum 2015-01](#).

### **Section Summary**

- The following are the activities in which a lobbyist principals may participate:
  - Provide a plaque, trophy or similar item valued at no more than \$200
  - \$10 “trinket” gifts (given once per person per calendar year and not reportable)
  - Modest items of food or refreshment (given occasionally and not reportable)
  - Events to which all members of the Legislature are invited
  - Caucus events
  - Legislative committee and subcommittee events
  - Out-of-state events
  - Tickets from an agency to a conference, seminar or lecture sponsored in whole or part by the agency
  - Tickets or sponsorship for community, civic, and charitable events

## **IX. Permissible Activities by Lobbyist Principals of Executive Lobbyists**

### **Section Scope**

The limits described in this section assume the following about a lobbyist principal: the lobbyist principal (1) is not a current vendor of the agency; or (2) is not a vendor selling or seeking to sell to the agency, and the officer or employee is not engaged in purchasing, as described in Ethics [Rule 4.8](#). If the lobbyist principal is a vendor, then the rules set forth in Ethics Rule 4 should be reviewed. Vendors, who may also be lobbyist principals, are subject to additional restrictions that are not the subject of this Guide. For assistance in complying with the applicable Ethics Rules, access the “Guide for State Officers and Employees” and other materials made available on the Commission’s website at [www.ethics.ok.gov](http://www.ethics.ok.gov).

### **Gifts Prohibited Unless Specifically Permitted**

A lobbyist principal employing or retaining an executive lobbyist cannot provide a gift to an officer or employee of the agency being lobbied unless the gift is specifically permitted by the Ethics Rules. The prohibition applies to both the lobbyist principal making the gift and the state officer or employee who receives it. [Rule 5.6](#).

A lobbyist principal may not indirectly provide a gift to a state officer or employee by providing a thing of value to a family member of the state officer or employee. “Family members” include the spouse, children (including stepchildren), mother, father, sister or brother. [Rules 5.2\(5\)](#) and [5.6](#).

The following information specifically addresses lobbyist principal activities, not lobbyist or liaison meals and gifts. For information on lobbyist meals and gifts, see [section V](#). [Rule 5.6](#).



## **Permissible Gifts, Food and Beverages from a Lobbyist Principal**

### **a. Plaques, Trophies or Similar Acknowledgement of Service**

A lobbyist principal may give a plaque, trophy, or similar item for display no more than once per year to a state officer or employee in acknowledgement of the state officer or employee's public service. The item cannot exceed \$200 in value (including tax) and must be reported in a Lobbyist Expenditures Report. [Rule 5.13.](#)

### **b. \$10 "Trinket" Gift**

A lobbyist principal may provide a gift of any single item with a fair market value not exceeding \$10 to any state officer or employee one time during any calendar year without incurring any reporting obligations, if that is the only such gift provided to the state officer or state employee. [Rule 5.13.](#)

### **c. Modest Items of Food and Refreshments**

A lobbyist principal may provide modest items of food and refreshments to any state officer or employee when offered other than as part of a meal. This provision includes items, such as soft drinks, coffee, doughnuts and similar items **provided other than as part of a meal**. These items do not include alcoholic beverages, including low-point beer, or items such as hors d'oeuvres and similar fare. This exclusion is intended to apply to occasional random events and not regular, repeated events. [Rule 5.12.](#)

### **d. Tickets or Sponsorships for Community, Civic, and Charitable Events**

A lobbyist principal may purchase tickets for or otherwise provide sponsorship for a bona fide community, civic, or charitable reception, breakfast, luncheon or dinner attended by state officers and employees who are guests of the sponsoring organization.

Such activities must be customary for the lobbyist principal, and the lobbyist principal may not designate state officers or employees to be guests. In other words, the tickets must be provided to state officers or employees generally. [Rule 5.18.](#)

If a lobbyist, on behalf of a lobbyist principal, designates a state officer or employee as a guest, the cost of attendance must be reported and counts towards any applicable meal and gift limits. For an event that is a meal, the cost of the ticket to attend is reported as a meal. See [Staff Memorandum 2015-01.](#)

## **Permissible Activities by Lobbyist Principals of Executive Lobbyists**

- The following are the activities in which an executive lobbyist's lobbyist principal may participate:
  - Provide a plaque, trophy or similar item valued at no more than \$200
  - \$10 "trinket" gifts (once per calendar year per person and not reportable)
  - Modest items of food or refreshment (given occasionally and not reportable)
  - Tickets or sponsorship for community, civic and charitable events

## **X. Community Relations (Non-Lobbying Activities): Meals Provided by a Non-Lobbyist Employee of a Lobbyist Principal to Legislators**

An employee of a lobbyist principal, who is not a legislative liaison, legislative lobbyist, or executive lobbyist may provide a meal no more than twice a year to a legislator at the expense of the lobbyist principal if all of the following conditions are met:

- The employee may not be acting at the direction of a legislative liaison, legislative lobbyist, or executive lobbyist. The employee may not engage in lobbying activity of any kind.
- The employee must be either a constituent of the legislator or must be engaged in providing goods or services for the lobbyist principal within the legislator's district.
- Finally, the employee must typically engage in similar activities with other public officials in the geographical area within which the goods or services are provided.

[Rule 5.9; Staff Memorandum 2015-04.](#)

## **XI. Lobbyist Principals Who Are Vendors**

### **Permissible Activities by Vendors**

If the lobbyist principal is a vendor, then the rules set forth in Ethics Rule 4 should be reviewed. Vendors, who may also be lobbyist principals, are subject to additional restrictions that are not the subject of this guide. For assistance in complying with the applicable Ethics Rules, access the "Guide for State Officers and Employees" and other materials made available on the Commission's website at [www.ethics.ok.gov](http://www.ethics.ok.gov).

#### **a. Contributions to Committees by Lobbyists and Lobbyist Principals**

Lobbyists may make campaign contributions to political party committees, political action committees, and candidate committees. A lobbyist principal that otherwise is eligible to make contributions may do so. Many lobbyist principals are incorporated and thus, are not eligible to contribute to political parties, candidates, or limited political action committees. Contributions by lobbyists and eligible lobbyist principals are reported by the political parties, candidates, and political action committees and are not reported on a lobbyist's reports to the Ethics Commission. A lobbyist principal that is a Limited Liability Company or partnership will be reported through the members and partners as individuals according to the percentage of ownership. See the Guide for Candidates (State) available on the ethics Commission website ([www.ethics.ok.gov](http://www.ethics.ok.gov)).

A lobbyist making a contribution to a candidate committee or other committee should report his or her occupation to the committee as "lobbyist," rather than as a "consultant," "self-employed," etc. Where a lobbyist is both a lobbyist and a political consultant, both "lobbyist" and "political consultant" may be reported. [Rule 2.17.](#)

#### **b. Legislative Session Restrictions: Contribution Blackout Period**

The following is not an Ethics Commission Rule; it is a criminal statute under [Title 21, Crimes and Punishments § 187.1](#). This statute is enforced by the Attorney General's office or the District Attorney's office, not the Ethics Commission. This subsection is provided merely for informational purposes.

No lobbyist or lobbyist principal may make or promise to make a contribution to, or solicit or promise to solicit a contribution for a member of the Oklahoma Legislature or a candidate for state legislative office during any regular legislative session, beginning the first Monday in February, through its adjournment and for 5 calendar days following sine die adjournment. A member of the Legislature or a candidate for state legislative office may not intentionally solicit or accept a contribution from a lobbyist or lobbyist principal during the same time period. This provision does not prevent a political action committee affiliated with a lobbyist principal corporation or labor union from making a contribution.

This provision does not prevent a political action committee from making a contribution unless the committee is a lobbyist principal. Again, a violation of this provision is a criminal code violation, which will result in criminal penalties that are outside the jurisdiction of the Ethics Commission.

**c. Legislative Liaison and Legislative Lobbyist Expenditures Reports: Contents and Filing Dates**

**Reporting Dates and Periods Covered for Legislative Lobbyists and Liaisons**

Each legislative liaison and legislative lobbyist must file seven Legislative Lobbyist or Liaison Expenditures Reports every calendar year in The Guardian System. For each calendar year, reports are due monthly during the legislative session from January through June, and one report is due outside of the legislative session, which covers July through December. Reports must be filed according to the following schedule:

<b>Filing Dates</b>	<b>Period Covered</b>	<b>Type of Report Due</b>
Feb. 1 – 5	Jan. 1 – 31	Lobbyist or Liaison Expenditures Report
March 1 – 5	Feb. 1 – 29	Lobbyist or Liaison Expenditures Report
April 1 – 5	March 1 – 31	Lobbyist or Liaison Expenditures Report
May 1 – 5	April 1 – 30	Lobbyist or Liaison Expenditures Report
June 1 – 5	May 1 – 31	Lobbyist or Liaison Expenditures Report
July 1 – 15	June 1 – 30	Lobbyist or Liaison Expenditures Report
<b><i>Dec. 1 – Jan. 15 Registration/Renewal Period</i></b>		
Jan. 1 – 15	July 1 – Dec. 31	Lobbyist or Liaison Expenditures Report

*\*To view the current reporting calendar [click here](#) or access the reporting calendar on the Ethics website.*

**“Filing Dates” vs. “Period Covered”:** As you can see from the chart, the “period covered” indicates the time period that the lobbyist or liaison will account for in the expenditures in the Lobbyist or Liaison Expenditures Report. Whereas, the “filing period” indicates the dates in which reports can be filed in The Guardian System. A report cannot be filed before the filing period begins, and any reports filed after the filing period ends are considered late. See [section II](#) for information on enforcement and compliance. [Rule 5.19](#).

**a. All Reports Filed Electronically in The Guardian System**

All lobbyist and liaison reports are required to be filed electronically in The Guardian System and are due on the date specified, **regardless of weekends and holidays**. [Rule 2.122](#). For more information on the filing reports see [section XI](#).

## **b. Individuals Who Are Both Legislative and Executive Lobbyists**

An individual who is both an executive lobbyist and legislative lobbyist is only required to file one registration and will follow the legislative lobbyist reporting schedule.

### **Contents of Legislative Lobbyist or Liaison Report**

Each Lobbyist or Liaison Expenditures Report includes information contained on the lobbyist or liaison registration in addition to the following information:

- The cost of each meal provided during the reporting period for the Governor, for any legislator or for any employee of the Governor or the Legislature and the date on which the meal was provided. The cost includes the price, plus any applicable tax but does not include a gratuity. In calculating the price of the meal, items such as appetizers or hors d'oeuvre or beverages may be apportioned by dividing the total cost of the item equally by the number of participants, where the individual cost per participant is difficult or impossible to ascertain. But the individual price of other items, such as salads, entrees, or individual beverages shall be attributed to individual participants.
- The aggregate total number and cost of meals for each recipient for the calendar year.
- The cost of any food and beverages provided other than as part of a meal and valued at more than Ten Dollars (\$10.00) in the aggregate during a calendar year. When food and beverage are provided by legislative liaisons or legislative lobbyists, but are not part of a meal, the Ethics Rules exempt reporting for the first \$10 in the aggregate during a calendar year. After the maximum of \$10 is exceeded, these items are reported.
- The aggregate number of occasions and cost of food and beverages provided other than as part of a meal for each recipient.
- Gifts provided on “infrequently occurring occasions of personal significance.” Gifts provided on “infrequently occurring occasions of personal significance” must be reported in sufficient detail that a reasonable person would understand (1) what was given and (2) the significance of the event to the recipient. [Rule 5.21](#).

#### **a. Certain Transportation Costs Excluded**

Nominal costs of transportation by private motor vehicle or similar public transportation, such as a taxi provided by a legislative liaison or lobbyist to and from the location of a meal or event within the State of Oklahoma or within the vicinity of the meal if outside the geographical boundaries of the State of Oklahoma, are permitted but are not reported. [Rule 5.21](#).

#### **b. Legislative Lobbyists and Legislative Liaisons Report on Behalf of the Lobbyist Principal**

The legislative liaison or lobbyist also reports on behalf of the lobbyist principal for lobbyist principal activities, including events to which all members of the Legislature are invited, political caucus meetings, meetings of legislative committees or subcommittees and out-of-state events. In each of these situations, the total cost of food and beverage spent by the lobbyist principal is

reported. Because more than one lobbyist principal may divide the total cost of food and beverage on these occasions, the report includes not just the cost of food and beverage provided by the lobbyist principal, but also the percentage of the total cost that the lobbyist principal assumed. Information on these events is reported as follows.

- The date, location, and cost of food and beverage paid by a lobbyist principal for any event to which all members of the Legislature were invited. This information also must reflect the percentage of the total cost of food and beverage provided by the lobbyist principal for the event (typically 100% unless splitting the cost of the food and beverage with another lobbyist principal).
- The date, location, and cost of food and beverage paid by a lobbyist principal for a meeting of a legislative political caucus. This information also must reflect the percentage of the total cost of food and beverage provided by the lobbyist principal for the event (typically 100% unless splitting the cost of the food and beverage with another lobbyist principal).
- The date, location and cost of food and beverage paid by a lobbyist principal for a meeting of a legislative committee or subcommittee. This information also must reflect the percentage of the total cost of food and beverage provided by the lobbyist principal for the event (typically 100% unless splitting the cost of the food and beverage with another lobbyist principal).
- The date, location, and cost of food and beverage paid by a lobbyist principal for a qualified event at a national or multistate regional professional conference, seminar or other similar meeting conducted outside the State of Oklahoma and a description of the event. This information also must reflect the percentage of the total cost of food and beverage provided by the lobbyist principal for the event (typically 100% unless splitting the cost of the food and beverage with another lobbyist principal). [Rule 5.21.](#)

**c. Lobbyist Principal with Multiple Lobbyists or Liaisons: Only One Lobbyist Needs to Report Lobbyist Principal Expenditures**

Expenditures made by a lobbyist principal that is represented by more than one legislative liaison or legislative lobbyist are reported on the Expenditures Reports by one legislative liaison or lobbyist. All other legislative liaisons or legislative lobbyists representing the same lobbyist principal will indicate on their reports the name of the legislative liaison or lobbyist that is reporting the expenditure on behalf of the lobbyist principal. This is designed to prevent the same event from being replicated on reports and causing a distortion in the perceived amount of the expenditure. [Rule 5.21.](#)

**d. Helpful Tips for Reporting Lobbyist Principal Activities**

**Caucus Events:** Caucuses based on common interests, other than the two recognized political parties with elected members of the Legislature, are not eligible for the caucus event provision. Accordingly, meals provided for members of a caucus other than the Republican or Democrat caucuses of either the House or Senate are reported on an individual basis.

**Committee and Subcommittee Events:** Committee and subcommittee meetings must be attended by a majority of members of the committee or subcommittee; consequently, it is necessary that records of committee members or subcommittee members who participate are maintained. All members of the committee or subcommittee must be invited to participate. These are the only events required to be held at the State Capitol.

**Out-of-State Events:** For food and beverages provided for out-of-state national or regional professional conferences, seminars and similar meetings, a sponsoring lobbyist principal should be prepared to produce evidence that the event was a bona fide professional event. Since at least five state officers or employees must participate, a record of participants must be maintained.

### **Examples of Appropriate Lobbyist Expenditure Reporting**

The following examples illustrate appropriate reporting for meals provided by lobbyist and liaisons:

**Example 1:** Legislative lobbyist Zane pays for dinner for legislators Able, Baker, and Charles. Appetizers are ordered for all four diners at a cost of \$40. Two bottles of wine are provided at a total cost of \$100. Able orders a steak at a cost of \$30. Baker orders chicken for \$20 and a dessert for \$7. Charles orders a salad for \$10, a steak for \$40 and a dessert for \$15. Zane's food cost \$30. The tax was 8% for a total of \$23.36.

Zane may divide the cost of the appetizer and wine by four (i.e., the total number of participants).

The cost for Able's meal should be reported as \$70.20, calculated as follows:

Cost of appetizers:  $\$40.00/4=\$10.00$   
Cost of wine:  $\$100.00/4=\$25.00$   
Cost of entrée: \$30.00  
Tax: \$5.20  
Total cost: \$70.20

The cost for Baker's meal should be reported as \$66.96, calculated as follows.

Cost of appetizers:  $\$40.00/4=\$10.00$   
Cost of wine:  $\$100.00/4=\$25.00$   
Cost of entrée: \$20.00  
Cost of dessert: \$7.00  
Tax: \$4.96  
Total cost: \$66.96

The cost for Charles's meal should be reported as \$108.00, calculated as follows.

Cost of appetizers:  $\$40.00/4=\$10.00$

Cost of wine:  $\$100.00/4=\$25.00$

Cost of salad: \$10.00

Cost of entrée: \$40.00

Cost of dessert: \$15.00

Tax: \$8.00

Total cost: \$108.00.

For convenience, the total cost of an individual meal may be rounded to the next highest dollar amount. In that case, Able's meal would be reported at \$71.00, Baker's meal at \$67.00 and Charles's meal at \$108.00.

**Example 2:** Legislative lobbyist Yarnell buys five pizzas and soft drinks for himself and legislators Davis, Edwards, Finch, Grant and Hood to share. The total cost of the pizzas and soft drinks, tax included, is \$82.50. The cost of the meal for Davis, Edwards, Finch, Grant and Hood may be calculated as \$13.75 or, by rounding, \$14.00, since it would be difficult to ascertain the cost for each individual.

**Example 3:** Legislative liaison Woodward buys a box lunch for legislators Inkster, Jackson, Kent, Lemon, and Marx. Each box lunch costs \$12.00. Total tax is \$4.80. Woodward does not order a box lunch for herself. The cost of the meal for Inkster, Jackson, Kent, Lemon and Marx may be calculated as \$12.96 per person or, by rounding, \$13.00 per person.

**Example 4:** Legislative lobbyist Vickers buys legislator Nelson two beers during happy hour at a local bar one afternoon. The beers cost a total of \$4.00. Vickers did not buy any other such food or beverage for Nelson the balance of the calendar year. This expenditure does not need to be reported because it is under \$10; however, it is important to note that this would not fall under the modest items of food or refreshment category because the lobbyist purchased alcohol for the legislator.

**Example 5:** Legislative lobbyist Unger treats legislator Olson to beer at happy hour at a local bar every Monday during the legislative session. The beer costs \$4.00. After the third week, the total expenditure by Unger is \$12.00, exceeding the \$10.00 threshold. Unger reports \$2.00 for that expenditure and reports every such expenditure for legislator Olson thereafter.

**Example 6:** Ajax Corp., a lobbyist principal and Allied Widgets, Inc., a lobbyist principal, jointly sponsor an event to which all members of the Legislature are invited. The total cost of food and beverage for the event is \$2,000.00. Ajax and Allied Widgets each pay half of the cost. The Reports filed by their lobbyists should show a cost of \$1,000.00 for food and beverage and that this amount represented 50% of the total cost. For this event, Ajax and Allied also provided entertainment,

which cost an additional \$3,000.00 and rented a facility for \$500.00. Neither the cost of the entertainment nor the cost of rent is reported.

**Example 7:** Thompson, a legislative lobbyist, hosts a buffet dinner on behalf of his lobbyist principal, Ajax Corp., for eight members of the Agriculture Caucus, a group of legislators who meet periodically to discuss agricultural issues. The cost of the buffet, with taxes, is \$15.00 per person. Thompson must report an individual meal for each of the eight legislators. The cost applies to Thompson's annual limit of \$500.00 for each legislator.

### **Examples of Appropriate Lobbyist Principal Expenditure Reporting**

The following examples illustrate appropriate reporting for food and beverages provided by lobbyist principals:

**Example 1:** Lobbyist Principal X and Lobbyist Principal Y equally split the cost of providing box lunches to the Republican House caucus meeting. The cost per box is \$6; however the overall cost of the caucus meeting is \$150 (\$6 x 25 caucus members = \$150). The Lobbyist Expenditure Report for a lobbyist of Lobbyist Principal X will report the lobbyist principal expenditure by showing the total cost of the food and beverages at the event that her lobbyist principal paid for (i.e., \$75) and the percentage of the event of which the lobbyist principal paid (i.e., 50%). Similarly, the Lobbyist Expenditure Report for a lobbyist of Lobbyist Principal Y will report the lobbyist principal expenditure by showing the total cost of the food and beverages at the event that his lobbyist principal paid for (i.e., \$75) and the percentage of the event of which the lobbyist principal paid (i.e., 50%).

**Example 2:** Lobbyist Principal Z provides sandwiches and sodas to the Democratic Senate Caucus for a caucus meeting. The cost per person is \$8, but the total cost is \$200 for the 25 meeting attendees. The lobbyist of Lobbyist Principal Z will report the lobbyist principal expenditure as \$200 at 100% because only Lobbyist Principal Z purchased the food and beverage for the caucus event.

**Example 3:** Lobbyist Principal A bought box lunches for a legislative committee at \$6 per person. The total cost was \$90 because of the 10 committee members (a majority of the members for this particular committee) and 5 legislative staff who officially and regularly provide staff services for the committee (\$6 X 15 = \$90). Since the meeting is at the Capitol, Logan, a legislative staffer, and Representative Soandso decide to drop by the meeting and each grab a box for themselves, along the way to a different meeting. In this case, the lobbyist for Lobbyist Principal A will report the lobbyist principal expenditure of \$90 at 100% for the caucus event because Lobbyist A is the only lobbyist principal paying for the event. Additionally, the lobbyist will individually report the \$6 meal under lobbyist expenditures for Logan and a \$6 meal for Representative Soandso.



## XII. Executive Lobbyist Expenditures Reports: Contents and Filing Dates

### Reporting Dates and Periods Covered for Executive Lobbyists

Each executive lobbyist must file four Executive Lobbyist Expenditures Reports annually in The Guardian System. These Reports are due no later than April 15, July 15, October 15 and January 15. Each report covers the expenditures made during the preceding calendar quarter.

Filing Dates	Period Covered	Type of Report Due
<i>Dec. 1 – Jan. 15 Registration/Renewal Period</i>		
Jan. 1 – 15	Oct. 1 – Dec. 31	Lobbyist Expenditures Report
April 1 – 15	Jan. 1 – March 31	Lobbyist Expenditures Report
July 1 – 15	April 1 – June 30	Lobbyist Expenditures Report
Oct. 1 – 15	July 1 – Sept. 30	Lobbyist Expenditures Report

\*To view the current reporting calendar [click here](#) or access the reporting calendar on the Ethics website.

**“Filing Dates” vs. “Period Covered”:** As you can see from the chart, the “period covered” indicates the time period that will account for the expenditures in the Lobbyist Expenditures Report. Whereas, the “filing period” indicates the dates in which reports can be filed in The Guardian System. A report cannot be filed before the filing period begins, and any reports filed after the filing period ends are considered late. See [section II](#) for more information on compliance and enforcement. [Rule 5.20](#).

#### **a. All Reports Filed Electronically in The Guardian System**

All executive lobbyist reports are required to be filed electronically in The Guardian System and are due on the date specified, **regardless of weekends and holidays**. [Rule 2.122](#). For more information on the filing reports see [section XI](#).

#### **b. Individuals who are Both Legislative and Executive Lobbyists**

An individual who is both an executive lobbyist and a legislative lobbyist is only required to file one registration and will follow the legislative lobbyist reporting schedule (see [section XI](#)).

### Contents of Executive Lobbyist Report

Each Executive Lobbyist Report includes the following information:

- The cost of each meal provided during the reporting period for a state officer or employee of an agency that is the subject of the executive lobbyist’s lobbying. The cost includes the price, plus any applicable tax but does not include a gratuity. In calculating the price of the meal, items such as appetizers or hors d’oeuvre or beverages may be apportioned by dividing the total cost of the item equally by the number of participants, where the individual cost per participant is difficult or impossible to ascertain. But the individual price of other items, such as salads, entrees, or individual beverages shall be attributed to individual participants.
- The aggregate total number and cost of meals for each recipient for the calendar year.
- The cost of any food and beverages provided other than as part of a meal and valued at more than \$10 in the aggregate during a calendar year. When food and beverage are

provided by executive lobbyists but are not part of a meal, the Ethics Rules exempt reporting for the first \$10 in the aggregate during a calendar year. After the maximum of \$10 is exceeded, these items are reported.

- The aggregate number of occasions and cost of food and beverages provided other than as part of a meal for each recipient.
- Gifts provided on “infrequently occurring occasions of personal significance.” Gifts provided on “infrequently occurring occasions of personal significance” must be reported in sufficient detail that a reasonable person would understand (1) what was given and (2) the significance of the event. [Rule 5.22.](#)

#### **a. Certain Transportation Costs Excluded**

Nominal costs of transportation by private motor vehicle or similar public transportation such as a taxi provided by an executive lobbyist to and from the location of a meal or event are permitted but are not reported. [Rule 5.22.](#)

### **Lobbyist Principals with Multiples Lobbyists: Only One Lobbyist Needs to Report the Lobbyist Principal’s Expenditures**

Expenditures made by a lobbyist principal that is represented by more than one executive lobbyist are reported on Lobbyist Expenditure Report by only one of the executive lobbyists. All other executive lobbyists representing the same lobbyist principal will indicate on their reports the name of the executive lobbyist reporting the expenditure on behalf of the lobbyist principal. This is designed to prevent the same event from being replicated on reports and causing a distortion in the perceived amount of the expenditure. [Rule 5.22.](#)

### **Examples of Appropriate Executive Lobbyist Expenditure Reporting**

The following examples illustrate appropriate reporting:

**Example 1:** Executive lobbyist Zane lobbies Good Policy Board and pays for dinner for Able, Baker and Charles who are employees or officers of Good Policy Board. Appetizers are ordered for all four diners at a cost of \$40.00. Two bottles of wine are provided at a total cost of \$100.00. Able orders a steak at a cost of \$30.00. Baker orders chicken for \$20.00 and a dessert for \$7.00. Charles orders a salad for \$10.00, a steak for \$40.00 and a dessert for \$15.00. Zane’s food cost \$30.00. The tax was 8% for a total of \$23.36.

Zane may divide the cost of the appetizer and wine by four, the total number of participants.

The cost for Able’s meal should be reported as \$70.20, calculated as follows:

Cost of appetizers:  $\$40.00/4=\$10.00$   
Cost of wine:  $\$100.00/4=\$25.00$   
Cost of entrée: \$30.00  
Tax: \$5.20  
Total cost: \$70.20

The cost for Baker's meal should be reported as \$66.96, calculated as follows.

Cost of appetizers:  $\$40.00/4=\$10.00$   
Cost of wine:  $\$100.00/4=\$25.00$   
Cost of entrée: \$20.00  
Cost of dessert: \$7.00  
Tax: \$4.96  
Total cost: \$66.96

The cost for Charles's meal should be reported as \$108.00, calculated as follows.

Cost of appetizers:  $\$40.00/4=\$10.00$   
Cost of wine:  $\$100.00/4=\$25.00$   
Cost of salad: \$10.00  
Cost of entrée: \$40.00  
Cost of dessert: \$15.00  
Tax: \$8.00  
Total cost: \$108.00.

For convenience, the total cost of an individual meal may be rounded to the next highest dollar amount. In that case, Able's meal would be reported at \$71.00, Baker's meal at \$67.00 and Charles's meal at \$108.00.

**Example 2:** Executive lobbyist Yarnell, who lobbies the Good Policy Board, buys five pizzas and soft drinks for himself and Davis, Edwards, Finch, Grant and Hood, employees of the Good Policy Board, to share. The total cost of the pizzas and soft drinks, tax included, is \$82.50. The cost of the meal for Davis, Edwards, Finch, Grant and Hood may be calculated as \$13.75 per person, or, by rounding, \$14.00 per person, since it would be difficult to ascertain the cost for each individual.

**Example 3:** Executive lobbyist Woodward, who also lobbies the Good Policy Board, buys a box lunch for Inkster, Jackson, Kent, Lemon and Marx, officers and employees of the Good Policy Board. Each box lunch costs \$12.00. Total tax is \$4.80. Woodward does not order a box lunch for herself. The cost of the meal for Inkster, Jackson, Kent, Lemon and Marx may be calculated as \$12.96, or, by rounding, \$13.00.

**Example 4:** Executive lobbyist Vickers buys Good Policy Board director Nelson two beers during happy hour at a local bar one afternoon. The beers cost a total of \$4.00. Vickers did not buy any other such food or beverage for Nelson the balance of the calendar year. This expenditure does not need to be reported, although records of the expenditures must be maintained, because the cost is under \$10; however, it is important to note that this would not fall under the modest items of food or refreshment category because the lobbyist purchased alcohol for the director.

**Example 5:** Executive lobbyist Unger treats Good Policy Board general counsel Olson to beer at happy hour at a local bar every Monday one summer. The beer costs \$4.00. After the third week, the total expenditure by Unger is \$12.00, exceeding the \$10.00 threshold.

Unger reports \$2.00 for that expenditure and reports every such expenditure thereafter for Olson.

### **XIII. Filing Lobbyist or Liaison Expenditures Reports**

#### **Electronic Reporting Required in The Guardian System**

All required reports must be filed electronically in The Guardian System unless otherwise ordered by the Commission or the Executive Director of the Commission. Other means may be ordered in cases of unexpected events, such as a power failure or natural disasters. [Rule 2.122](#).

The Guardian System is accessible 24 hours a day, 7 days a week. It is designed to be accessible from any device and used as a bookkeeping system. Transactions may be added daily and prior to a filing period. This allows for accessible and efficient filing during the filing period.

All reports are due in The Guardian System on the specified filing date, **regardless of weekends and holidays**. [Rules 5.19](#) and [5.20](#).

**Example:** Jane Smith is a legislative liaison for State Agency XYZ. A Liaison Expenditures Report is due on April 5, 2020, which is a Sunday. Jane Smith must ensure the report is filed no later than Sunday, April 5, 2020 at 11:59 pm.

#### **a. Reporting Schedules Available on Ethics Commission Website**

The reporting schedules for lobbyists and liaisons are available on the Ethics Commission website at [www.ethics.ok.gov](http://www.ethics.ok.gov). Additionally, lobbyists and liaisons who regularly use The Guardian System to enter in expenditures will be notified of upcoming filing dates in the system workspace.

#### **b. When Intentional Violation of the Rules Is Presumed**

Any liaison or lobbyist who files more than one Lobbyist or Liaison Expenditures Report late shall be deemed to have intentionally violated the Rules except for good cause shown. [Rule 5.19](#) and [5.20](#).

#### **c. Add One or More Designated Filing Agents (DFA) to Assist with Reporting**

A lobbyist or liaison may add one or more Designated Filing Agents (“DFA”) to his or her account. A DFA may enter data and file reports on behalf of the lobbyist or liaison. Adding a DFA is recommended to ensure reports are filed in a timely manner.

DFAs may be added or removed at any time by a lobbyist or liaison registered in The Guardian System. DFAs must be added to the system to obtain his or her own login credentials to access the system. **Usernames and passwords must not be shared.** The name of the individual who is assigned the username used to file the report is the name that appears as the filer of the report. To ensure the information is accurate, each person authorized to access an account must have his or her own credentials.

**d. Amending Lobbyist or Liaison Expenditures Reports**

A liaison or lobbyist may file an Amended Lobbyist or Liaison Expenditures Report at any time to correct a bona fide oversight or error. The individual filing the report must certify that the amended report is not filed for the purpose of reporting information that was intentionally omitted or misstated on the previously filed report. If the amended report is in fact made to correct a genuine oversight or error, the liaison or lobbyist will not be deemed to have violated the Ethics Rules by filing the prior erroneous report. [Rule 5.23](#).

**e. Record Keeping Requirements: 4 Year Retention**

To make accurate reports of expenditures on the Lobbyist or Liaison Expenditure Reports as required by the Ethics Rules, liaisons and lobbyists must keep detailed receipts and other documentary evidence of those expenditures. Records must be retained for a period of four years and must be made available to the Ethics Commission upon request. The Commission also has the power to subpoena documents if necessary. [Okla. Const. art. XXIX, § 4](#); [Rule 5.26](#).

Lobbyist principals are required to provide their lobbyists with any information the lobbyist or liaison needs to file timely and accurate reports. The lobbyist or liaison must maintain records of lobbyist principal activity as well as records for his or her own lobbying activity.

**f. Waiver for Preexisting Relationship**

A state officer or state employee may apply to the Commission for a waiver of any of these rules based on a preexisting relationship between the state officer and employee and a legislative liaison, legislative lobbyist, or executive lobbyist. The Commission has exclusive authority and discretion to grant a waiver on a case-by-case basis, based upon the totality of circumstances and a finding that the purpose of these Rules will not be impeded or hindered by the waiver.

Such a waiver will be prospective in effect and will not be applied to situations that have already occurred. The Commission may request whatever information it deems appropriate from an applicant, which may include verified statements by the parties involved.

The restrictions between a state officer or employee and a legislative liaison, legislative lobbyist, or executive lobbyist will not apply when the two are family members. Family members are regarded as having a preexisting relationship. The waiver request form is available on the Ethics Commission website at [www.ethics.ok.gov](http://www.ethics.ok.gov). [Rule 5.25](#).