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E-News from State and Federal Communications, Inc.

January 2010

## Don't Expect the *Status Quo* When It Comes to Compliance in 2010

The New Year is here, and it's time again for making resolutions and starting over. For those of us in government affairs, however, it is also a time to be aware of changes in laws for lobbyist reporting, revised regulations for political contributions, and new rules for government business development activities.

We saw many changes to the political landscape in 2009, and 2010 promises continued unpredictability. I have learned to never expect the *status quo* in our profession. Statutes change all the time. As municipalities experience the "trickle-down" effect of new legislation passed on the state and federal levels, we can be certain we will encounter many changes in local provisions governing pay-to-play, lobbying, and political contributions.

Illinois, for example, has made several significant changes in its lobbying laws, not the least of which is the new requirement requiring lobbyist reports to be filed weekly. This change, which took effect January 1, 2010, led to the city of Chicago and Cook County making their own changes in regulations.

As you know from being a client of State and Federal Communications, Inc., our online resources for lobbying laws, political contributions, and procurement lobbying are updated continuously to help you maintain strict compliance with the law. In addition, we send you an online document each month summarizing the changes we make to the online Executive Source Guides in the previous 30 days.

We, too, are making resolutions for 2010. We are committed to being the nation's most trusted and comprehensive source for compliance information on the federal, state, and local levels. As the New Year arrives, we encourage you to take stock of your registration and reporting needs and to reach out to us with any questions or concerns you might have. Let's work together in 2010 so you can say, with confidence:

**"I Comply!"**

**Elizabeth Z. Bartz**  
President and CEO

## Cleveland Cavaliers Honor Breast Cancer Survivors

Elizabeth Bartz, president and CEO of State and Federal Communications, Inc., joined other women who have survived breast cancer in a special halftime ceremony during the Cleveland Cavaliers-Chicago Bulls NBA game on December 4, 2009.

The purpose was to honor those who have been touched by breast cancer and raise awareness of the disease. Bartz has been a cancer survivor since February 7, 2006.

The event was hosted by the "Cavaliers Better Halves" – the wives and girlfriends of players, coaches, management, and staff, including Carolyn Brown, wife of Mike Brown, the Cavaliers' head coach.

"It was an honor to join other women who have survived breast cancer," said Bartz. "Prevention and early detection are the tools we use in the battle against breast cancer."

Bartz noted the American Cancer Society has the following guidelines for early detection of breast cancer:

- Yearly mammograms are recommended starting at age 40 and continuing for as long as a woman is in good health.
- Clinical breast exam (CBE) should be part of a periodic health exam, about every three years for women in their 20s and 30s, and every year for women 40 and over.

■ Women should know how their breasts normally feel and report any breast change promptly to their health care providers. Breast self-exam (BSE) is an option for women starting in their 20s.

■ Women at high risk (greater than 20 percent lifetime risk) should get an MRI and a mammogram every year. Women at moderately increased risk (15 percent to 20 percent lifetime risk) should talk with their doctors about the benefits and limitations of adding MRI screening to their yearly mammogram. Yearly MRI screening is not recommended for women whose lifetime risk of breast cancer is less than 15 percent.

For more information, please go to the American Cancer Society website: [www.cancer.org](http://www.cancer.org).



Elizabeth Bartz and John Chames display T-shirts they wore during a recent Cleveland Cavaliers game. During the game's halftime, the "Cavaliers Better Halves" honored survivors of breast cancer with recognition and a special ceremony.

## Summary of Changes UPDATE

### Note Recent Changes to Compliance Regulations

by John Cozine, Esq.  
Research Manager



Government affairs professionals need to be aware of recent changes – and upcoming changes – in compliance laws for several jurisdictions, including:

**CALIFORNIA:** At its November meeting, the board of CalPERS, the state's pension fund, supported a plan to require middlemen hired by private investment funds to register as lobbyists.

Staff members have been ordered to draft legislation, which will be introduced by Assemblyman Ed Hernandez, who chairs the Assembly Public Employees, Retirement, and Social Security committee.

**SAN JOSE, CALIFORNIA:** On Tuesday, December 1, the San Jose City Council voted unanimously to approve an online filing requirement for candidates and political committees. Campaign finance statements must now be filed electronically using the San Jose electronic filing system. This requirement will take effect in time for next year's first campaign disclosure statement deadline on January 31, 2010.

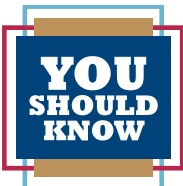
**TEXAS:** The Texas State Board of Education has revised its already stringent ethics policies governing board members and those bidding for work with the board or contracting with the board. Board members are now required to annually report all business

in which they hold a substantial interest. The measure is designed to determine whether any potential conflicts of interest exist. The board also revised a disclosure requirement to bring it into alignment with the rules of the Texas Ethics Commission. The rule now requires those doing business with the board to disclose if they have spent more than \$250 during the preceding four years on a board member. Previously, the board's rules had a \$50 disclosure requirement which caused a disparity with Ethics Commission requirements.

**UTAH:** An interim legislative committee has unanimously passed a bill that would set up an independent commission to screen ethics complaints against lawmakers. If the measure becomes law, it would establish a five-member commission of retired judges and lawmakers who would investigate alleged ethics complaints against members of the legislature. Once frivolous and politically motivated complaints are weeded out, charges found to have merit would be sent to House or Senate ethics committees for action that could include reprimands, censure, or removal from office. The new ethics bill is expected to go before the full Utah legislature when it convenes in January 2010.

**WISCONSIN:** Assembly Bill 65/Senate Bill 40, signed by the governor, puts into effect a "clean" money system of full public financing for candidates for the state Supreme Court who agree to abide by spending limits. High court candidates who abide by the spending limits will be eligible to receive additional publicly financed grants if their opponent exceeds the spending limits and if outside special interest groups spend above a threshold limit against them or in favor of their opponent.

## Our Online Resources Contain All the Key Dates Vital to Compliance Needs



by John Cozine, Esq.  
Research Manager

Our client website ([www.stateandfed.com](http://www.stateandfed.com)) has been updated with

all the key dates you need to know for 2010.

In case you have not checked out key dates for a while, here is how to access them on the site:

■ Once you have signed into the client portion of our website, you can use the drop-down menus for either Lobbying Laws or Political Contributions to "Select a Jurisdiction." Once you have selected the jurisdiction you are interested in, you will see "Key Dates" listed among the navigation choices on the left side of the page. Click on "Key Dates" to view the information for that particular jurisdiction.

■ You may also, once you have signed into the client portion of our website, click on either the "Lobbying Laws Resource Page" or the "Political Contributions Resource Page." When you do this, you will see a gray navigation bar near the top of

the page, with a "Key Dates" link that is second from the right. When you click on this "Key Dates" link, you see a map of the United States. Simply click on a state to find listings of all key dates for that state, and key dates for all the municipalities we cover within the state. Also, below the map you will find a drop-down menu through which you can view key dates for all jurisdictions by month.

These key dates provide you with an at-a-glance listing of all of the reports you might be responsible for filing during the year. We continually update these key dates to reflect changes in the law and changes in circumstances.

■ The chart lists not only the due dates of reports but also the reporting periods covered by those reports. The key dates in our Lobbying Laws guide also include due dates for registrations and the dates registrations expire, if applicable. Election dates are included in the Political Contributions guide key dates.

It is important that you check the key dates frequently, as lobbying reports can be added or removed. Also, reporting dates are often

altered by changes in the legislature's meeting schedule and by called special sessions.

Key dates relating to political contributions can be affected by special elections. And regardless of what kind of key dates are being discussed, unexpected changes in reporting schedules can occur for any number of reasons, such as when New York City pushed back due dates because of problems with its electronic lobbying report filing system.

These key dates are provided as a quick reference to allow you to plan your year and to ensure you stay in compliance with all of your reporting obligations. The list is, however, just a reference tool. Be sure to check the reporting sections of our online resources to determine whether the reports listed apply to your particular circumstances.

The key dates are a critical tool in making sure you can say "I Comply." Take advantage of them!



The Mission of State and Federal Communications is to make sure that your organization can say, "I Comply." We are the leading authority and exclusive information source on legislation and regulations surrounding campaign finance and political contributions; state, federal, and municipal lobbying; and procurement lobbying.

Contact us to learn how conveniently our services will allow you to say "I Comply" for your compliance activities.  
<http://www.stateandfed.com/>

## Legislation We Are Tracking

At any given time, more than 1,000 legislative bills, which can affect how you do business as a government affairs professional, are being discussed in federal, state, and local jurisdictions. These bills are summarized in the State and Federal Communications' digital encyclopedias for lobbying laws, political contributions, and procurement lobbying; this information is located on the client portion of the State and Federal Communications website.

Summaries of major bills are also included in monthly e-mail updates sent to all clients. The attached chart shows the number of bills we are tracking in regards to lobbying laws, political contributions, and procurement lobbying.

	Total Bills	Number of Jurisdictions	Passed	Died	Carried over to 2010
Lobbying Laws	322	45	30	128	79
Political Contributions	566	51	46	189	128
Procurement Lobbying	399	46	48	112	81

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<http://twitter.com/stateandfed>

## State and Federal Communications Launches SCS to Encourage Community Participation

State and Federal Communications kicked off its 2010 United Way campaign with a special emphasis on charitable service hours.

"We believe giving back to the community not only involves dollars, but time and talent as well," said Elizabeth Bartz, president and CEO, in announcing the program to employees.

"Money is important – and both employees and company ownership have been strong financial supporters of United Way of Summit County (Ohio) over the years. We are now emphasizing service – spending time with charitable organizations within our community and our region. That's why we have launched 'State and Federal Charitable Service,' or what we call SCS for short," Bartz said.

Under the newly launched program, company employees will be able to take 24 hours of regular work time and instead spend those hours volunteering at a charitable organization.

"They could volunteer at a United Way member agency, or another charitable organization. Either way, we are encouraging employees to take part and get active in helping those less fortunate. I believe this will enrich both our team members

and our community," Bartz said.

Many company employees have already visited United Way member agencies, and other groups, in the community – some to assess needs and others to volunteer. The SCS program grew out of those recent efforts and is now a more formal approach to giving and volunteering, with company support and backing, Bartz explained.

Meanwhile, the company concluded its United Way campaign, and it was once again a success with more than 90 percent of employees participating.

Employees donated more than \$18,000, which Bartz matched, making the company's donation to United Way for 2010 more than \$36,000.

"I am proud of the commitment our employees have to helping those in need in our community. Despite the economy, our employees who participated in the campaign were very generous," Bartz said.

United Way of Summit County has recognized State and Federal Communications' strong commitment over the years, naming Bartz as Woman Philanthropist of the Year in 2007, and providing several Campaign Excellence Awards for company leadership and employees over the years. Additionally, employee giving at State and Federal has achieved the



Nicole Chames, center, and Katie Morton, right, help load personal care items that State and Federal Communications, Inc. donated to Violet's Cupboard, an Akron-based United Way affiliated agency whose goal is to "enhance the quality of daily life for persons living with HIV/AIDS." Janaris Alston, left, the agency's executive director, spoke at the company's United Way kick-off meeting.

Highest Corporate per Capita Giving by employee range (for employers under 49) every year for the past five years, according to United Way.

The United Way of Summit County is a non-profit fundraising and community service organization supporting 122 programs provided by 48 local affiliated health and human service agencies, and by non-affiliated agencies that are recipients of Development Fund Grants and Priority Area Grants.

## Municipal Coverage Grows

The number of municipalities and regional governments our research associates track continues to grow each month. We now cover more than 140 municipalities and regional governments, **including every state capital**. This is part of a continuous effort to better serve the needs of our clients.

This month, we have added three municipalities for which our customers will find comprehensive, timely, and accurate informa-

tion that includes: complete calendar of reporting deadlines; critical statutory citations; extensive directories of contact information; summaries of each state law; detailed reference charts on goods and services contributions; highlights of every statute; copies of all required forms; and much more.

The new municipalities are:

**Salt Lake City, Utah**  
**Glendale, Arizona**      **St. Petersburg, Florida**

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# ASK THE EXPERTS

## State and Federal Communications' Experts Answer Your Questions

With the start of a New Year, we are launching a new feature in Compliance Now called "Ask the Experts," which will run every month. Every day, we receive many inquiries from our clients, and we will consolidate these into questions of interest to a broad range of Compliance Now readers. We also encourage you to directly submit questions for this feature, and we will select those most appropriate and answer them here. Send your questions to: [marketing@stateandfed.com](mailto:marketing@stateandfed.com).

Of course, we have always been available to answer questions from clients that are specific to your needs, and we encourage you to continue to call us or e-mail us with questions about your particular company or organization. As always, we will confidentially and directly provide answers or information you need.

Again, if you have a question for this feature, e-mail it to us and our resident experts on lobbying laws, political contributions, and procurement lobbying will research and publish the answers here. Our replies to your questions are not legal advice. Instead, these replies represent our analysis of laws, rules, and regulations.

Here is our first question – one we have been asked many, many times by clients over the years.

**Q.** How do I most accurately calculate my pro-rata share of compensation when I am registered as a lobbyist in five different states? Do I take my gross annual salary and divide it by five?

**A.** If you take your gross annual salary and divide it by five, you will undoubtedly over-report your compensation. Although you can never go wrong over-reporting, you should also strive for accurate reporting, especially in this instance.

Think of your lobbying in terms of hours. Review your calendar a month, or even a week, at a time to determine the number of hours you lobbied in a particular state. Now, assign a dollar value to those hours, and the result is accurate reporting.

To do this, follow this formula:

1. Take your gross annual salary and divide it by 2,080 (52 weeks in a calendar year multiplied by 40 hours per week). This is your hourly rate.
2. Multiply the number of hours you lobbied by your hourly rate. This amount is the reportable pro-rata share of your compensation for lobbying in that state.

Here's an example:

1. Gross annual salary is \$120,000.
2. \$120,000 divided by 2,080, is an hourly rate of \$57.69.
3. Fifteen hours lobbied in a particular state during a reporting period, multiplied by the hourly rate of \$57.69, is \$865.35. In this example, this is your reportable pro-rata share of your compensation for lobbying.

Of course, you have work weeks that exceed 40 hours. And you also go on vacation. Using 2,080 as the number of work hours in a calendar year is a generally accepted accounting principle that will sustain scrutiny of even the most stringent of state auditors.

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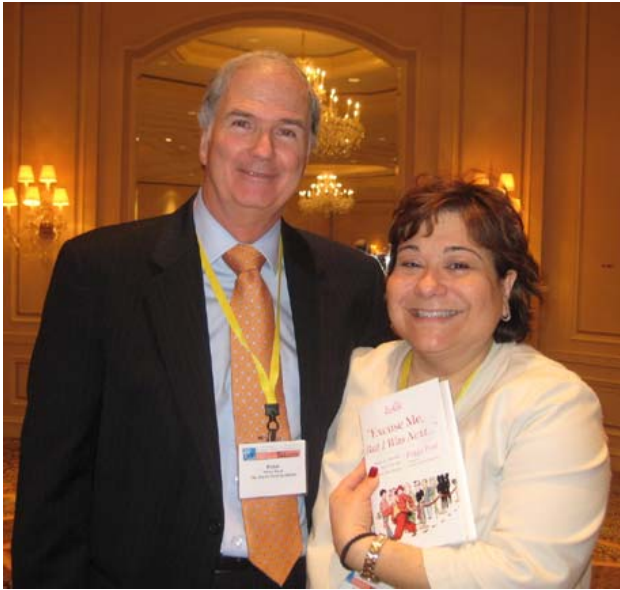
## See Us in Person

Plan to say hello at future events where State and Federal Communications will be attending and/or speaking regarding compliance issues.

January 10-14, 2010	PAC Public Affairs Institute, Laguna Beach, California
January 20-23, 2010	PAC Grassroots Conference, Orlando, Florida
February 8-11, 2010	Innovate to Motivate Conference, New Orleans, Louisiana
February 21-24, 2010	PAC National Conference, St. Petersburg, Florida
March 23-April 1, 2010	Greater Akron Chamber Business Leader's Mission, Tuscany, Italy
March 24-26, 2010	SGR Workshop and SGAC Annual Meeting, Denver, Colorado
April 18-20, 2010	2010 National Association of State Procurement Officials (NASPO) How to Market to State Governments Meeting, San Francisco, California
May 3-6, 2010	BIO Annual Convention, Chicago, Illinois
May 17-19, 2010	U.S. Chamber of Commerce Small Business Summit, Washington, D.C.

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## State and Federal Communications, Inc. Scrapbook



Elizabeth Bartz with Peter Post, author and great-grandson of Emily Post, at the November SGAC LPC in West Palm Beach, FL.



Elizabeth Bartz with XPrize Foundation Chairman and fellow Greek, Peter Diamandis, M.D. at SGAC LPC



SGAC LPC gathering of Elizabeth Bartz, Chris Badgely (PhRMA), former U.S. Representative Dick Gephardt (DLA Piper,) and Katrina Iserman (Wyeth.)



Clyde Vetter, Mary Kayson (Takeda Pharmaceuticals), Marilyn Vetter (Takeda Pharmaceuticals), Governor Mike Huckabee, and Elizabeth Bartz.

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## State and Federal Communications, Inc. Scrapbook



Ohio Senator Kevin Coughlin, Georgia Senator Don Balfour with Elizabeth Bartz at the CSG Annual Meeting in Palm Springs, CA, November 2009.



Jennifer Mendez (The Carpet & Rug Institute), CSG Executive Director David Atkins, with Elizabeth Bartz at the CSG Annual Meeting in Palm Springs, CA.



Ohio Representative Tom Letson and Elizabeth at the CSG Annual Meeting.