

# ARKANSAS REGISTER

FILED  
AL REGISTER DIV

97 JAN 23 PM 4:17

## Transmittal Sheet



SHARON PRIEST  
SECRETARY OF STATE  
STATE OF ARKANSAS

Sharon Priest  
Secretary of State  
State Capitol Rm. 01  
Little Rock, Arkansas 72201-1094

For Office Use Only: Effective Date 2/2/97 Code Number 153.00.97--001

Name of Agency Arkansas Ethics Commission

Department \_\_\_\_\_

Contact Person Randall G. Wright Phone 324-9600

Statutory Authority for Promulgating Rules §21-8-402 - 607 of Arkansas Code Annotated

	Date
Intended Effective Date	Legal Notice Published . . . . . <u>10/20/96-10/26/96</u>
<input type="checkbox"/> Emergency	Final Date for Public Comment . . . . . <u>11/19/96</u>
<input type="checkbox"/> 10 Days After Filing	Filed With Legislative Council . . . . . <u>1/23/97</u>
<input type="checkbox"/> Other	Reviewed by Legislative Council . . . . . <u>12/19/96</u>
_____	Adopted by State Agency . . . . . <u>12/4/96</u>

### CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted  
In Compliance with Act 434 of 1967 As Amended.

Amanda Nixon White  
Signature

324-9600  
Phone Number

Executive Director  
Title

1/23/97  
Date

FILED

REGISTER DIV.

DEPARTMENT \_\_\_\_\_  
 DIVISION N/A 97 JAN 23 PM 4:17  
 PERSON COMPLETING THIS STATEMENT AMANDA NIXON WHITE  
 TELEPHONE NO. 324-9600 FAX NO. 324-9606

SECRETARY OF STATE  
 STATE OF ARKANSAS

FINANCIAL IMPACT STATEMENT

To comply with Act 884 of 1995, please complete the following Financial Impact Statement and file with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE LOBBYIST & LOBBYING REGULATIONS

1. Does this proposed, amended, or repealed rule or regulation have a financial impact? Yes \_\_\_\_\_ No X

2. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.

N/A

3. If the purpose of this rule or regulation is to implement a federal rule or regulation, please give the incremental cost for implementing the regulation.

N/A

1995-96 Fiscal Year

1996-97 Fiscal Year

General Revenue \_\_\_\_\_  
 Federal Funds \_\_\_\_\_  
 Cash Funds \_\_\_\_\_  
 Special Revenue \_\_\_\_\_  
 Other \_\_\_\_\_  
 Total \_\_\_\_\_

General Revenue \_\_\_\_\_  
 Federal Funds \_\_\_\_\_  
 Cash Funds \_\_\_\_\_  
 Special Revenue \_\_\_\_\_  
 Other \_\_\_\_\_  
 Total \_\_\_\_\_

4. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule or regulation? NONE

1995-96 Fiscal Year

1996-97 Fiscal Year

5. What is the total estimated cost by fiscal year to the agency to implement this regulation? NONE

1995-96 Fiscal Year

1996-97 Fiscal Year

July 28, 1995

FILED  
AD. REGISTER DIV.

## Arkansas Ethics Commission

97 JAN 23 PM 4: 17

SHARON PRIEST  
SECRETARY  
STATE OF ARKANSAS

### Rules on Lobbyist Registration and Reporting

BY \_\_\_\_\_

#### A. Lobbyist Registration

- § 500. Definitions.
- § 502. Lobbyist registration and re-registration.
- § 503. Amendment of information on registration or re-registration form.
- § 504. Exceptions to the lobbyist registration requirement.
- § 505. Where to register and make other filings.
- § 506. Termination of lobbyist registration.
- § 507. Penalties - failure to register or re-register properly.

#### B. Lobbyist Activity Reports

- § 508. Requirement of lobbyist activity reports; filing deadlines and public inspection.
- § 509. Reports of no activity
- § 510. Basic requirements of lobbyist activity reports.
- § 511. Reporting of expenditures made on behalf of public servants; subject areas.
- § 512. Reporting of expenditures; tickets for amusement, entertainment and hospitality.
- § 513. Reporting special events.
- § 514. What lobbyist activity reports do not have to disclose.
- § 515. Maintenance of records.
- § 516. Provision of forms and certificates of registration; public availability of filed statements and reports.
- § 517. Prohibited acts.
- § 518. Penalty.

APPROVED 12/4/96

## A. Lobbyist Registration

### § 500. Definitions.

- (a) "Administrative action" means any decision on, or proposal, consideration, or making of any rule, regulation, ratemaking proceeding, or policy action, other than ministerial action, by a governmental body.
- (b) "Association" means a body of individuals acting together for the prosecution of a common enterprise.
- (c) "Business" means any corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, receivership, trust, or any legal entity through which business is conducted.
- (d) "Business association" means an association formed for the purpose of doing business, including associations formed for the purpose of establishing an employer/employee, principal/agent and/or an employer/independent contractor relationship.
- (e) (1) "Family" means an individual's spouse, children of that individual or his or her spouse, or brothers, sisters, or parents of the individual or his or her spouse.
- (2) The term "household" includes an individual's significant other.
- (3) The term "household" does not include an individual's roommate.
- (f) (1) "Gift" means any payment, entertainment, advance, services, or anything of value, unless consideration of equal or greater value has been given therefor.
- (2) The term "gift" does not include:
- (A)(i) Informational material such as books, reports, pamphlets, calendars, or periodicals informing a public servant regarding his or her official duties.
  - (ii) Payments for travel or reimbursement for any expenses are not informational material;
  - (B) The giving or receiving of food, lodging, or travel which bears a relationship to the public servant's office and when appearing in an official capacity;
  - (C) Gifts which are not used and which, within 30 days after receipt, are returned to the donor;

(D) Gifts from an individual's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any of these persons, unless the person is acting as an agent or intermediary for any person not covered by this paragraph;

(E) Campaign contributions;

(F) Any devise or inheritance;

(G) Anything with a value of less than \$100;

(g) "Governmental body" means any office, department, commission, council, board, committee, legislative body, agency, or other establishment of the executive, judicial, or legislative branch of the state, municipality, county, school district, improvement district, or any political district or subdivision thereof.

(h) "Income" or "compensation" means any money or anything of value received, or to be received as a claim for future services, whether in the form of a retainer, fee, salary, expense, allowance, forbearance, forgiveness, interest, dividend, royalty, rent, or any other form of recompense or any combination thereof.

(i) "Legislative action" means introduction, sponsorship, consideration, debate, amendment, passage, defeat, approval, veto, or any other official action or nonaction on any bill, ordinance, law, resolution, amendment, nomination, appointment, report, or other matter pending or proposed before a committee or house of the General Assembly, a quorum court, or a city council or board of directors of a municipality.

(j) "Lobbying" means to communicate directly or solicit others to communicate with any public servant to influence legislative or administrative action.

(k) "Lobbyist" means a person who is engaged in lobbying activities as defined in § 501 of these rules.

(l) "Lobbyist's client" means the person, such as an employer, in whose behalf the lobbyist influences or attempts to influence legislative or administrative action.

(m) "Ministerial action" means an action in which a person performs in a given state of facts, in a prescribed manner, in obedience to the mandate of legal authority, without regard to or the exercise of his or her own judgment upon the propriety of the act being done.

- (n) "Paid or reimbursed" includes income received prior, during or subsequent to the period the income is earned, or expenses reimbursed prior, during or subsequent to the period the expenditure is made.
- (o) "Partnership" means a syndicate, group, pool, joint venture, or other unincorporated organization, through or by means of which any business, financial operation, or venture is carried on, and which is not a trust or estate or a corporation.
- (p) "Person" means a business, individual, corporation, union, association, firm, partnership, committee, club, or other organization or group of persons.
- (q) "Public official" means a legislator or any other person holding an elective office of any governmental body, whether elected or appointed to the office.
- (r) "Public servant" means all public officials, public employees, and public appointees.
- (s) "Registered lobbyist" means a lobbyist registered pursuant to the provisions of this subchapter.
- (t) "Special event" is a planned activity hosted by a lobbyist as detailed and explained in § 513 of these rules.

**§ 501. Definition of "lobbyist."**

(a) For purposes of this section and subsection, persons engaged in lobbying activity as defined by § 500 will be considered lobbyists, subject to registration and regulation, if the person:

- (1) is paid or reimbursed in a combined amount of \$250 or more in a calendar quarter to lobby one or more governmental bodies; or
- (2) expends \$250 or more in a calendar quarter to lobby one or more governmental bodies, excluding the cost of personal travel, lodging, meals or dues; or
- (3) expends \$250 or more in a calendar quarter, including postage, for the express purpose of soliciting others to communicate with any public servant to influence any legislative action or administrative action of one or more governmental bodies unless the communication has been filed with the Secretary of State or has been published in the news media. If the communication is filed with the Secretary of State, the filing shall include the approximate number of recipients.

(b) All persons who act as lobbyists shall register as lobbyists pursuant to § 502 of these rules unless specifically exempted from registration pursuant to § 504 herein.

(c) Whether a person is a lobbyist is a factual determination made by the Arkansas Ethics Commission on a case-by-case basis.

**§ 502. Lobbyist registration and re-registration.**

(a) It is the intent of the Arkansas Ethics Commission that the public have full disclosure of the items required to be reported under this subchapter.

(b) A lobbyist shall register no later than five days after beginning lobbying.

(c) A lobbyist will not be considered registered until the registration form is delivered to the appropriate office under § 505 of these rules; this registration form shall report:

- (1) the name, address, and telephone number of the lobbyist;
- (2) the date the lobbyist began the lobbying that prompted the current registration;
- (3) the name, address, and telephone number of the lobbyist's client(s);
- (4) the kind of business of the lobbyist's client(s);
- (5) an identification, from a list of categories provided by the Arkansas Ethics Commission, of the general subject matter or category in which the lobbyist will engage in lobbying;
- (6) the name and address of a legislative or administrative official who:
  - (A) is employed by; or
  - (B) has a direct business association with the lobbyist within the past 12 months; and
- (7) certification by the lobbyist that the information contained on the lobbyist registration form is true and correct.

(d) A firm or other organization shall register as a lobbyist if it has members or employees who lobby only on behalf of that organization. Both the organization and the lobbyist(s) it employs shall be responsible for compliance with all of these rules. In addition to the other requirements of this rule, the organization's registration form must list:

- (1) the name of each person who is authorized to lobby for the firm; and
- (2) the name of a contact person within the organization.

If the organization hires a lobbyist who also lobbies independently for other organizations, that individual lobbyist shall be solely responsible for compliance with these rules.

(e) In order to maintain continued status as a registered lobbyist, each registered lobbyist shall re-register by January 15 of each year. The lobbyist re-registration form will not be considered filed until it is delivered to the appropriate office under § 505 of these rules.



(f) Lobbyist registration and re-registration are only valid for the calendar year in which the registration or re-registration took place.

(g) For purposes of this section, a registration or re-registration form may be delivered either in person, through the mail or by facsimile. If delivery of the form is in person, it will be considered filed on the date of delivery to the appropriate office. If the delivery is by mail, it will be considered filed on the postmark date. If the delivery is by facsimile, it will be considered filed on the date the facsimile is received. In any case, the form will not be considered filed unless it has been delivered to the appropriate office.

(h) Each lobbyist who continues to lobby or file lobbyist activity reports but fails to re-register under paragraphs (c) and (d) of this section may be subject to fines under § 507.

**§ 503. Amendment of information on registration or re-registration form.**

(a) If, during the year of registration, any information the lobbyist must disclose pursuant to § 502 of these rules changes, that lobbyist shall file an amended registration form containing the different or new information within five days of the change.

(b) A lobbyist who files an amended registration form under paragraph (a) of this rule shall clearly mark on the front of the form that it is an amended form.

**§ 504. Exceptions to the lobbyist registration requirement.**

(a) A lobbyist is not required to register if he or she lobbies only in one or more of the following ways:

- (1) By acting only as an agent of the news media publishing news items, editorials or other comments or paid advertisements in the ordinary course of business which urge legislative or administrative action;
- (2) Lobbying exclusively on behalf of an Arkansas church which qualifies as a tax exempt organization under § 501 (c) (3) of the Internal Revenue Code when lobbying solely for the purpose of protecting the rights of members or adherents to practice the religious doctrines of the church;
- (3) Acting in his or her official capacity as a public servant unless he or she:
  - (A) is paid by a non-governmental person over \$250 in a quarter for lobbying;
  - or
  - (B) pays, incurs or is reimbursed over \$250 in a quarter, regardless of the source, for lobbying, excluding the cost of informational material and personal travel, lodging, meals and dues.
- (4) Drafting legislation;
- (5) Appearing in a judicial proceeding, a proceeding or hearing that is a matter of public record or a hearing or appeal conducted pursuant to the Arkansas Administrative Procedure Act, Ark. Code Ann. § 25-15-201 et seq.;
- (6) Assisting an executive agency, at that agency's written request, in drafting administrative regulations or in publicizing or assisting in the implementation of final administrative actions;
- (7) Testifying as an individual at a public hearing in support of or in opposition to legislation or administrative action, testifying on behalf of a corporation, partnership, association or other organization of which the person is an employee, officer, member, or partner or testifying at the request of a legislative committee; or
- (8) Contractors or their employees selling to a governmental body by showing or describing goods or services or asking about specifications or terms and conditions of a purchase unless the contractor or its employees pays or incurs more than \$250 in a

calendar quarter for food, lodging, travel or gifts to benefit public servants who buy goods or services on behalf of a governmental body.

(b) A person whose only act of lobbying is to pay or reimburse a registered lobbyist on his or her own behalf is not required to register as a lobbyist.

(c) Whether a person falls under an exception to the lobbyist registration requirement is a factual determination made by the Arkansas Ethics Commission on a case-by-case basis.

**§ 505. Where to register and make other filings.**

- (a) (1) A lobbyist who lobbies public servants of state government shall register and make other filings with the Secretary of State as required by these rules and the laws of Arkansas.
- (2) A lobbyist who lobbies public servants of municipal government shall register and make other filings as required by these rules and the laws of Arkansas with the city clerk or recorder of the municipality, as the case may be.
- (3) A lobbyist who lobbies public servants of county government or any government body not otherwise covered by this section shall register and make other filings with the county clerk of the county as required by these rules and the laws of Arkansas.
- (4) A lobbyist who lobbies public servants of a governmental body covering a district that includes all or part of more than one county shall file with the Secretary of State and the county clerk of his or her principal place of business or residence within the state.
- (b) A lobbyist who would be required to register and file with more than one public official under this section may instead register and make other filings as required by these rules and the laws of Arkansas with the Secretary of State and the county clerk of his or her principal place of business or residence within the state.

**§ 506. Termination of lobbyist registration.**

- (a) A lobbyist may terminate his or her lobbyist registration by filing a report required under this section.
- (b) When a registered lobbyist's employment or designation as a lobbyist is terminated, a written notice of termination shall be given by the lobbyist or his or her designated agent to the public official with whom the lobbyist is registered.
- (c) If a registered lobbyist either fails to re-register as detailed in § 502 of these rules or fails to submit a notice of termination under this section, his or her registration as a lobbyist will automatically expire at midnight January 15 of the year following the last year in which the lobbyist is registered. A lobbyist whose registration expires or is terminated pursuant to this subsection shall not lobby until the lobbyist re-registers pursuant to § 502 of these rules under threat of penalties as detailed in § 507 of these rules.
- (d) The written notice of termination shall:
  - (1) report the registered lobbyist's name;
  - (2) report the date the registered lobbyist's employment is terminated or his or her designation as a lobbyist is terminated; and
  - (3) report any activity to be reported during the period in which the registration was in effect that has not already been reported.

**§ 507. Penalties - failure to register or re-register properly.**

(a) Those persons who act as lobbyists as defined by these rules but fail to register within five days of beginning lobbying activities as defined by § 502 of these rules may be assessed by the Arkansas Ethics Commission a fine of not less than \$25 and not more than \$1000.

(b) Any person who acts as a lobbyist and gives false information on the lobbyist registration form or omits information from that form required by § 502 of these rules may not be considered a registered lobbyist and may be assessed by the Ethics Commission a fine of not less than \$25 and not more than \$1000.

## B. Lobbyist Activity Reports

### **§ 508. Requirement of lobbyist activity reports; filing deadlines and public inspection.**

(a) Each person required to be registered as a lobbyist shall file an activity report concerning his or her lobbying activities during the previous calendar quarter no later than 15 days after the end of each calendar quarter. These are the due dates for the quarterly lobbyist activity reports:

First quarter:	April 15
Second quarter:	July 15
Third quarter:	October 15
Fourth quarter:	January 15

(b) In addition to the activity report required in paragraph (a) of this section, a registered lobbyist who lobbies members of the General Assembly shall file a monthly lobbyist activity report for any month or part thereof in which the General Assembly is in session; this monthly report shall be filed no later than ten days after the end of each month.

(c) Whenever the filing due date listed in paragraph (a) or (b) falls on a Saturday, Sunday, legal holiday or any day the office is closed for official business, the time for such filing shall be extended to the next business day. If the activity reports are filed by mail, the postmark date of the mailing; or if the reports are filed by facsimile, the date the facsimile was sent, shall constitute the filing date for purposes of this rule.

(d) Lobbyist activity reports shall be filed as due whether there has been lobbying activity (see §§ 510 - 511) or no lobbying activity (see § 509).

(e) Lobbyist activity reports shall be open to public inspection.



**§ 509. Reports of no activity**

(a) Each person required to be registered as a lobbyist shall file quarterly and/or monthly activity reports as required by § 508 and § 510 of these rules even if there has been no activity during the previous calendar quarter or month.

(b) On each activity report filed pursuant to paragraph (a) of this section, the lobbyist shall indicate that no activity has occurred.

**§ 510. Basic requirements of lobbyist activity reports.**

(a) It is the intent of the Arkansas Ethics Commission that the public have disclosure of the contact between lobbyists and public officials and to that end, the Commission encourages lobbyists not to avoid reporting through the use of technicalities or ambiguities.

(b) Lobbyist activity reports shall be signed and certified by the registered lobbyist that the information contained on the activity report is true and correct. The reports must be filed as described by § 508 of these rules.

(c) As further detailed in §§ 511 - 513 of these rules, lobbyist activity reports shall contain:

(1) The total of all expenditures made or incurred by the registered lobbyist during the preceding period.

(A) These expenditures shall include reimbursements for expenses, but not compensation to lobbyists for lobbying; and

(B) the report shall itemize these totals according to financial category and lobbyists' clients, including food and refreshment, entertainment, living accommodation(s), advertising, printing, postage, travel, telephone and other expenses or services.

(2) The name and address of the registered lobbyist and his or her client(s).

**§ 511. Reporting of expenditures made on behalf of public servants; subject areas.**

(a) Lobbyist activity reports shall contain an itemized listing of each of the following items identified by date, amount paid or value, the name of the individual(s) receiving or to be benefited by the item and a description of the item:

- (1) Each expenditure for each gift, award or memento equal to or greater than \$100 made or incurred for the benefit of each public servant, his or her staff and employee(s) and his or her family or household;
- (2) Each expenditure exceeding \$25 per day for food, beverages or both made or incurred for the benefit of each public servant; include:
  - (A) the type (or purpose) of the expenditure, e.g., dinner;
  - (B) the date of the expenditure;
  - (C) the cost;
  - (D) the name(s) of the person(s) in attendance; and
  - (E) if catered, the location where the food and/or beverages were served.

NOTE: If, for example, a lobbyist takes a public servant and his or her spouse to dinner and spends more than \$25 on the public servant or more than \$50 on the public servant and his or her spouse, the lobbyist shall itemize the expenditure.

- (3) Each expenditure(s) for transportation or lodging made for the benefit of each public servant exceeding \$25 during a day; include:
  - (A) the purpose of the transportation or lodging;
  - (B) the name of the conference, seminar or other event, if applicable;
  - (C) the name of the carrier;
  - (D) the name and address of the hotel, motel or other place where lodging was provided; and
  - (E) the cost of comparable private or commercially provided air or ground transportation, whichever applicable. Report the fair market value of such transportation as would be available to the general public.
- (4) Any other item paid or given to a public servant or on behalf of a public servant having a value over \$25 each unless consideration of equal or greater value has been

**§ 512. Reporting of expenditures; tickets for amusement, entertainment and hospitality.**

(a) On the activity report, the lobbyist shall itemize each expenditure made for the benefit of a public servant for a ticket or tickets to an event or events, if this expenditure exceeds \$25 in the aggregate. (For example, if the lobbyist buys four tickets to a football game costing \$22.00 each and gives them all to a legislator, the lobbyist must itemize this expenditure on his lobbyist activity report. This lobbyist would report that he made an \$88.00 expenditure on four tickets to a football game, the date of the expenditure and the name of the legislator to whom he gave the tickets. Even if the lobbyist did not originally intend to give the tickets to the legislator, the fact that he eventually did so makes this an expenditure on behalf of a public servant under § 511 of these rules.)

(b) "Event or events," as used in this section, includes but is not limited to sporting events such as football or basketball games and hunting or fishing trips, entertainment or arts events such as concerts or plays, and charity events such as banquets and other fundraisers. "Event or events" does not include special events as defined in § 513.

(c) The lobbyist shall itemize each expenditure made for the benefit of a public servant for hunting or fishing trips by reporting its fair market value. The fair market value of a hunting or fishing trip is equivalent to the cost of such a trip as available from a commercial provider. In pricing hunting and fishing trips, the lobbyist shall presume that the public servant hunted or fished whether or not he or she actually did so. The value of the expenditure should also include the fair market value of lodging or food if such was provided during the trip.

(d) Hospitality rooms may be reported as a special event if more than 20 public servants are invited even if less than 20 public servants attend. The information reported for a hospitality room shall include:

- (1) the date(s) the room is open;
- (2) the name of the event, if applicable;
- (3) the name of the registered lobbyist who made the expenditure; and
- (4) the total amount of the expense attributable to the reporting lobbyist.

given therefor; such items do not include campaign contributions as defined by these rules.

(b) Lobbyist activity reports shall include:

- (1) a detailed statement of any money loaned or promised or line of credit established for a public servant or on behalf of the public servant over \$25 per individual, except as noted in § 514 (3) and
- (2) a statement detailing the direct business association or partnership with any public servant whom the lobbyist may lobby.

(c) When a lobbyist invites or is in attendance with seven or more public officials at any social event or activity where the lobbyist makes expenditures on behalf of these public officials, it is presumed that the lobbyist will report this under § 511 or § 513.

NOTE: When a registered lobbyist spends \$100 or more on a gift for a public servant or gives \$100 or more as a gift to a public servant, that registered lobbyist may wish to give a receipt for that gift to the public servant. That public servant has to report each gift received of \$100 or more on a statement of financial interest. If the public servant had a receipt for each lobbyist's gift of \$100 or more, the financial reporting of the public servant would be simplified.

**§ 513. Reporting special events.**

(a) Generally, expenses related to lobbying activity are categorized and itemized as detailed in §§ 510-512 of these rules. In the case of special events, as defined in paragraph (b), where the expenses related to the event are incurred by the lobbyist, the lobbyist need not allocate the expenses by individual but may categorize them on a group basis as listed herein in paragraph (e).

(b) A special event is a planned activity where a specific governmental body or identifiable groups of public servants are invited. The expenditures incurred for special events shall be for the purpose of hosting receptions, benefits and other large gatherings held for the purposes of goodwill or otherwise to influence legislative, executive or administrative action to which 20 or more public servants are invited. Special events include parties, dinners, athletic events, entertainment, and charity events.

(c) A gathering or event will not be considered a special event for the purposes of this section if less than 20 public servants are invited. If less than 20 public servants are invited, the registered lobbyist shall report that gathering or event under § 510 and § 511 of these rules and itemize the expenditures accordingly.

(d) In the case of a special event, expenses need not be allocated by individuals.

(e) The information reported for a special event shall include:

- (1) the date of the event;
- (2) the name of the event;
- (3) the location of the event;
- (4) the name of the group(s) invited;
- (5) the name of the registered lobbyist who made the expenditure; and
- (6) the total amount of the expense.

(f) When a lobbyist invites or is in attendance with seven or more public officials at any social event or activity where the lobbyist makes expenditures on behalf of these public officials, it is presumed that the lobbyist will either itemize the expenditures pursuant to § 511 of these rules or list the event as a special event and categorize the expenditures pursuant to § 513.

(g) Whether an event is a special event under the meaning of this section is a factual determination made by the Arkansas Ethics Commission on a case-by case basis.

**§ 514. What lobbyist activity reports do not have to disclose.**

Lobbyist activity reports do not have to disclose the following:

- (1) Office expenses other than those specifically required to be reported under the previous section;
- (2) Unreimbursed personal living and travel expenses not incurred directly for lobbying;
- (3) Money loaned or a line of credit established that is issued in the ordinary course of business by a financial institution or a person who regularly and customarily extends credit; and
- (4) Compensation paid to the lobbyist by his or her client(s) or principal(s).

**§ 515. Maintenance of records.**

All registered lobbyists operating within the State of Arkansas shall maintain and preserve all accounts, bills, receipts and any other documents necessary to substantiate the financial reports required by §§ 508 - 513 of these rules for at least three years from the date of the filing of the statement or report.



**§ 516. Provision of forms and certificates of registration; public availability of filed statements and reports.**

The Secretary of State, each county clerk and each city clerk or recorder shall:

- (1) provide forms approved by the Arkansas Ethics Commission for registration and for statements required by §§ 502, 503, 505, 506, and 508 - 513 to all persons required to file;
- (2) issue a certificate of registration to a lobbyist registered under §§ 502 - 505 of these rules;
- (3) make all statements, forms and reports filed available for public inspection and copying, at a reasonable cost, not to exceed \$.50 per page, during regular office hours.

**§ 517. Prohibited acts.**

- (a) No person may purposely employ any lobbyist who is required to register as a lobbyist but is not registered pursuant to §§ 502 - 505.
- (b) A lobbyist shall not contract to receive, or accept compensation dependent upon the success or failure of a legislative or executive action.
- (c) No person engaging in lobbying may:
  - (1) influence or attempt to influence, by coercion, bribery or threat of economic sanction, any public servant in the discharge of the duties of his or her office;
  - (2) purposely provide false information to any public servant as to any material fact pertaining to any legislative or administrative action;
  - (3) purposely omit, conceal or falsify in any manner information required by the registration any lobbyist activity reports.
- (d)
  - (1) Any person criminally convicted for violation of any provision of this subchapter shall not act as a lobbyist for three years from the date of conviction.
  - (2) Any person violating this three-year ban will be deemed guilty of a violation of this chapter.

**§ 518. Penalty.**

In addition to other sanctions which may be imposed under these rules:

- (1) Any lobbyist who fails to file a lobbyist activity report as required by §§ 508 - 513 of these rules or who files an activity report late may be assessed by the Arkansas Ethics Commission a fine of not less than \$25 a day for each report, beginning the day after such reports are due and continuing until the lobbyist properly files the lobbyist activity reports as §§ 508 - 513 of these rules requires, provided the total amount of such fees assessed per report shall not exceed \$1000;
- (2) A registered lobbyist who gives false information on a lobbyist activity report or omits information from that report required by §§ 508 - 513 of these rules may be assessed by the Ethics Commission a fine of not less than \$25 or more than \$1000 for each violation; and
- (3) The Arkansas Ethics Commission may refer any person found to have violated any of these rules to the prosecuting attorney of the district wherein the violation occurred. Any person who violated any provision of Ark. Code Ann. § 21-8-401 through 21-8-803 may be deemed guilty of a Class A misdemeanor. The culpable mental state required to prove a violation is a purposeful violation.