

Hi, this is Chris Micheli with the Sacramento governmental relations firm of Aprea & Micheli and an adjunct professor at McGeorge School of Law. This podcast is a brief look at the business of lobbying.

Like other professions, particularly in the service sector, the field of lobbying is a business. Lobbying is a professional services business, and it requires transparency in the activities of those in the lobbying profession, that is public disclosure of relevant information.

Due to the requirements in the Political Reform Act of 1974, there are quarterly disclosures that are publicly available by way of the Secretary of State's website found under its political reform division. These disclosure reports filed each quarter provide all the data necessary to demonstrate that lobbying is a serious business in the state of California.

Members of the public, including the media, can access information disclosed by those who lobby, who employs them as lobbyists, what they're lobbying on, bills, regulations, subject areas, and how much they get paid to lobby. The agencies lobbied are also disclosed as well as specific bills or regulations that were lobbied.

Both lobbyist employers and individual lobbyists must disclose this information, and the data can be cross checked on both ends of the disclosure. Moreover, any lobbying expenses, gifts, or campaign contributions are also disclosed each quarter.

Aggregate data is also publicly available, such as the total amounts paid each quarter, each year, and during each two-year legislative session, based upon lobbying firm and lobbyist employer. This allows the media and the public to look at who pays and how much and for what. The media also annually rank the highest paid lobbying firm as well as the highest spending lobbyist employers.

While this information provides insights into the financial aspects of influencing government decision making, the lobbying profession is also a business, in that it employs individuals as lobbyists, governmental affairs managers, researchers, analysts, and other roles that directly and indirectly support lobbying activities at the state level.

Obviously, lobbying occurs at the local and federal levels as well, but the focus of our series continues to be on state lobbying activities. As part of being a business in California, lobbyists, lobbying firms, and lobbyist employers are most often small businesses subject to the normal laws and regulations affecting not only businesses but also the lobbying profession.

For example, a lobbying business must be registered with the Secretary of State and maintain strict records to comply with the Political Reform Act. This is especially important because this information is publicly disclosed and available on the Internet.

Like other businesses in the state of California, a bank account needs to be established, perhaps a line of credit, to ensure liquidity. Office space must be secured, preferably close to the state capital, as well as executive branch agencies to ensure easy physical access to lobbying elected and appointed officials and their staff.

Once office space is secured, then there's a need to obtain furniture, computers, phones and other services to conduct the business of lobbying. Support staff and others such as interns may be required.

Again, many lobbyists and their lobbying firms are similar to other small businesses in the state. Thanks for joining.