

Lobbyist Guide for 2019 Legislative Session



What is “lobbying”?

Lobbying is defined as “the practice of promoting or opposing the introduction or enactment of legislation before the legislature or legislators” and “the practice of promoting or opposing official action of any public official of the legislature” (MCA 5-7-102(11)). Individuals who engage in these described activities may qualify as a lobbyist and be required to register as such.

FAQs for Lobbyists

1) I plan to lobby. Do I need to register as a lobbyist?

Not everyone who engages in lobbying activity is required to register as a lobbyist under Montana law. The term lobbyist does not include:

- an individual acting solely on the individual’s own behalf,
- an individual who is not paid, or
- someone who is paid a total less than \$2,600* to lobby in 2019/

You need to register as a lobbyist if:

- You are paid or will be paid over \$2,600 to lobby in 2019, and
- You are a principal who plans to spend more than \$2,600.*

2) How do I register as a lobbyist?

Step 1: The lobbyist must register with the Commissioner of Political Practices by submitting an L-1 lobbyist license application ([more details here](#)). The L-1 application lists the name of the principal(s) the lobbyist will be working for, as well as the subject(s) or issue(s) the applicant will be lobbying for or against. A lobbyist must register within five business days after entering into an oral or written agreement to receive payment(s) of \$2,600* or more or after receiving payment(s) of \$2,600* or more for the purposes of lobbying the legislature.

Step 2: Pay the \$150.00 lobbyist registration fee. This can be paid by either the principal on behalf of the lobbyist or the lobbyist personally. There is an option to apply for a waiver if the fee presents a hardship ([more details here](#)).

Step 3: The principal must file an L-2 Principal Authorization Statement or L-3 Principal Registration Application. This document authorizes the lobbyist to lobby on behalf of the principal.

The COPP can only give a lobbyist license when Steps 1-3 are all satisfied.

3) Are lobbyists or principals required to file financial reports?

The principal is responsible to report all payments and expenditures made to support or assist lobbying activity on L-5 Lobbying Financial Reports ([more details here](#)). If a report is filed late, the late fees are assessed to the principal (\$50/day).

A principal and lobbyist can agree to have the lobbyist file the reports, but, again, the legal responsibility to file the reports is that of the principal.

4) What other resources should I know about?

Reference the COPP's Lobbying page (<http://politicalpractices.mt.gov/lobbying>), Forms' page, and Reporting Calendars page. The COPP also shares report reminders and tips on Twitter and Facebook.

5) Who can I contact with questions?

Questions? We are here to help! Contact the Commissioner of Political Practices Office at (406) 444-2942, email cpphelp@mt.gov, or stop by the office at 1209 8th Avenue in Helena (one block north of the capitol)

*The threshold amount that a lobbyist can earn will increase from the 2017 amount to \$2,550 to the 2019 amount of \$2,600, effective on January 12, 2019.

FAQs for Principals

1) What are the requirements for a principal?

Any “principal” who makes payments or agrees to make payments exceeding \$2,600* in a calendar year for the purpose of lobbying must complete and file a “Principal Authorization Statement.” Businesses, associations, government agencies and others who pay lobbyists to work on their behalf are also principals (See § 5-7-208 and 5-7-112, MCA; and § 44.12.202, ARM for more information.).

To decide what Principal Authorization Statement you need to fill out, ask:

- Have you paid or intend to pay **more than \$2,600*** to an individual lobbyist to lobby on your behalf? If so, you must file a Principal Authorization Statement, form L-2, for each lobbyist you pay at least \$2,600 ([more details here](#)).
- Have you paid or intend to pay **more than \$2,600*** to individuals to lobby on your behalf, but will not pay any individual lobbyist that amount? If so, you must file a Principal Registration Application, form L-3 ([more details here](#)).

If you are the principal to multiple lobbyists, reference this [Guide for Required Lobbyist Forms](#) for example scenarios.

2) Are lobbyists or principals required to file financial reports?

Yes- **principals** are required to report all payments and expenditures made to support or assist lobbying activity on L-5 Lobbying Financial Reports ([more details here](#)). The L-5 must include:

- 1) Payments or other monetary compensation provided to the lobbyist/s authorized to lobby on the Principal’s behalf. This includes lobbyists who are paid but will not meet the threshold amount and are not required to register with the COPP;
- 2) The cost of support staff, administrative fees (office rent, internet, etc.), or travel expenses paid to support or assist lobbying activity;
- 3) Equipment, advertising, or supplies or social expenditures used to support or assist lobbying activity; and
- 4) Expenditures associated with entertainment events (dinners, banquets, socials, etc.) meant to lobby individual members of the legislature.

3) What is the L-5 reporting schedule?

Reports must be submitted electronically via the COPP website in the lobbyist database, or via mail (P.O. Box 202401, Helena, MT 59620-2401), via fax (406-444-1643), or delivered in person to the COPP office (1209 8th Avenue, Helena, MT) Please keep in mind that all reports **MUST** be received by the due date.*

Report Due Dates:

- 1) February 15, 2019: **Mandatory** L-5 report covering January 1st-31st of 2019. This report is required for all registered Principals, regardless of financial activity.

- 2) March 15, 2019: L-5 report required *if* you spent \$5,000 or more between February 1st-28th.
- 3) April 15, 2019: L-5 report required *if* you spent \$5,000 or more between March 1st-31st.
- 4) End of session report: **Mandatory** L-5 report due **30 days** after the session adjourns. **This report is required for all registered Principals, regardless of financial activity.**

***There is a \$50 per day late fee (up to \$2,500) assessed to all principals for each day form L-5 is late.**

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To review Montana's lobbying laws, see Title 5, Chapter 7 of the Montana Code Annotated ([more details here](#)).

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