

INSTRUCTION REGARDING THE PROPER METHOD OF FILING LOBBYIST REPORTS FOR ASSOCIATION, COALITION AND/OR THIRD-PARTY FILERS¹

Please be advised of the proper procedure for filing lobbyist reports on e-Lobbyist, beginning in calendar year 2013, under the following factual scenarios ONLY. If a scenario arises that is not covered below, please contact the Lobbying Bureau.

I. Coalition/Association Reporting

Scenario 1: Companies A, B and C have a common interest and form Company Z. Company Z hires a lobbying firm (“Lobbyist”) to lobby on its behalf (Company Z enters into a retainer agreement with Lobbyist **and** pays Lobbyist to lobby).

Filing Instructions: Companies A, B and C should NOT enroll individually or file reports under their respective names.²

1. **Enrollment:** Company Z enrolls as a client under the name: “Company Z as a coalition [or association] for Companies A, B and C.”³
2. **Retainer:** The retainer agreement (and/or authorization letter) lists the above composite name.
3. **Lobbyist Reports:** One statement of registration and all relevant periodic reports are filed under the above composite name.
4. **Client Reports:** Company Z files a client annual report under the above composite name.

Scenario 2: Companies A, B, and C have a common interest, but do not form one company as described above, and instead, each company pays an allocable portion of Lobbyist’s retainer.

Filing Instructions:

1. **Enrollment:** Each company that pays Lobbyist must file a separate enrollment under the following names:
 - a. Company A enrolls as “Company A with Companies B and C”;
 - b. Company B enrolls as “Company B with Companies A and C”;
 - c. Company C enrolls as “Company C with Companies A and B.”

¹ The main difference between coalition/association reporting and third-party reporting is that with a coalition or association—whether loosely formed or a separate legal entity established to represent the interest of all composite entities— all entities have a common interest and all entities will ***directly benefit*** from any lobbying activity. In the third-party scenario all entities may or may not have a common interest, but only the third-party beneficiary will ***directly benefit*** from any lobbying activity.

² See the language in the bold *** paragraph at the end of the document for further explanation.

³ Whenever applicable in this announcement, if the total characters comprising all names of the members of the coalition or third-party are greater than 250, please list the extra words in the subject details of the statement of registration and the retainer agreement.

2. **Retainer:** Each retainer agreement (and/or authorization letter) lists the respective client's enrolled name.
3. **Lobbyist Reports:** Separate statements of registration and relevant periodic reports are filed for each client under its respective name as listed above.
Each periodic report lists the amount of compensation paid to Lobbyist by the company first listed in such composite name.
4. **Client Report:** Each client files a separate client annual report under its name as listed above.

Scenario 3: Companies A, B and C all have a common interest, but do not form one company as described above, and instead, only one or more (but not all) of the companies pays Lobbyist's compensation to represent all three companies.⁴

Filing Instructions: Companies A, B and C should NOT enroll individually or file reports under their respective names.

Where one entity is paying for all:

1. **Enrollment:** Company A enrolls under the client name: "Company A on behalf of Companies A, B and C."
2. **Retainer:** The retainer lists the composite name immediately above.
3. **Lobbyist Reports:** One statement of registration and all relevant periodic reports are filed under such name.
4. **Client Report:** One client annual report is filed under the same name.

Where more than one entity is paying (but not all entities- if all, see Scenario 2)

1. **Enrollment:** Each company that pays Lobbyist must separately enroll under the following names:
 - a. Company A enrolls under the client name "Companies A and B on behalf of Companies A, B and C" AND
 - b. Company B enrolls under the client name "Companies B and A on behalf of Companies A, B and C."
2. **Retainer:** Separate retainers are submitted for each client listing each composite name as stated above and detailing the portion of payment to Lobbyist made by each entity.
3. **Lobbyist Reports:** Separate statements of registration and all relevant periodic reports are filed for each client under each composite name.
Each periodic report lists the amount of compensation paid by the company first listed in the composite name.

⁴ If the payor is not listed as the client on the retainer agreement AND is not directly benefiting from the lobbying activity please list the client as "A third-party payor for B and C" as further explained in II. Scenario 2.

4. **Client Report:** Each client files a separate client annual report its composite name listed above.

II. Third-Party Scenarios⁵

Scenario 1: **Company A** pays Lobbyist to lobby on behalf of Company B (for Company B's direct benefit) and **Company A is listed as a client** on the retainer agreement. As a result, Company A is the client and Company B is the third-party beneficiary.

Filing Instructions: Companies A and B should NOT enroll individually or file reports under their respective names.

1. **Enrollment:** Company A enrolls under the client name "Company A for the benefit of Company B."
2. **Retainer:** The retainer agreement and/or authorization letter lists the above composite name.
3. **Lobbyist Reports:** One statement of registration and all relevant periodic reports are filed under the above composite name.
4. **Client Report:** Company A files the client annual report under the above composite name.

Scenario 2: **Company A** pays Lobbyist to lobby on behalf of Company B (for Company B's direct benefit), but **Company B is listed as a client** on the retainer agreement. As a result, Company B is the client and Company A is the third-party payor.

Filing Instructions: Companies A and B should NOT enroll individually or file reports under their respective names.

1. **Enrollment:** Company B enrolls under the name "Company B with Company A as a third-party payor."
2. **Retainer:** The retainer agreement and/or authorization letter lists the above composite name.
3. **Lobbyist Reports:** One statement of registration and all relevant periodic reports are filed under the above composite name.
4. **Client Report:** Company B files the client annual report under the above composite name and reports what was paid/owed by the third-party payor on its behalf in the compensation field.

⁵ This instruction is still applicable even if Company A and Lobbyist are the same entity (lobbyist/client filer) for the benefit of a third-party Company B. The entity would enroll as a lobbyist/client filer under its own name on behalf of the third-party as per the instruction above.

Scenario 3: Company A is listed on Lobbyist's retainer, but neither compensates Lobbyist nor directly benefits from the lobbying activity. Instead, Companies B and C pay Lobbyist and directly benefit from such lobbying.

Filing Instructions:

Company A should not be listed on the retainer agreement as it is not benefiting from the lobbying or paying Lobbyist. Therefore, it has no interest and is not deemed the client. Thus, if Companies B and C have not formed a coalition/association then each would enroll under its own name and file separate reports. If, however, Companies B and C have formed a coalition and have a common interest, please follow the relevant instructions above.

*****THROUGHOUT THIS ANNOUNCEMENT, EACH TIME THE DIRECTION STATES THAT COMPANIES ARE NOT TO ENROLL INDIVIDUALLY UNDER THEIR RESPECTIVE NAMES PLEASE NOTE THE FOLLOWING:**

IF THE ENTITY IS ENROLLED AS A CLIENT AND IN ADDITION TO BEING A CLIENT ENTERS INTO ONE OF THE RELATIONSHIPS DESCRIBED ABOVE, AN ADDITIONAL ENROLLMENT AS WELL AS ADDITIONAL REPORTS MAY BE REQUIRED IN THE APPROPRIATE NAME INSTRUCTED ABOVE (If a previously enrolled client is required to enroll under any of the scenarios outlined in this announcement then for filing purposes there are two separate clients). IF THE SECOND ENROLLMENT CONTAINS THE SAME PRINCIPAL OFFICER'S EMAIL ADDRESS AND/OR THE SAME TIN OR SSN PLEASE CONTACT THE LOBBYING HELP DESK.

Example: Client hires a lobbyist and is also a member of a coalition that hires a lobbyist. The client must enroll (i) in its name as well as (ii) under the above-applicable coalition/association name, if necessary, and (iii) file separate reports under each name as the situation demands.

**** If you wish to attend a training session on this issue, please email Phylicia Cohen about your expressed interest at phylicia.cohen@cityclerk.nyc.gov.**