

GAO Releases 2017 Audit of Lobbying Reports

GET YOUR ORGANIZATION READY FOR THE 2018 AUDIT

May 2018

Earlier this spring, the U.S. Government Accountability Office (GAO) released its 2017 audit on lobbyist compliance with the Lobbying and Disclosure Act of 1995, as amended (LDA). As part of its review, the GAO examined over 250 reports from corporations, trade associations, and lobbying firms. While the audit found greater compliance in some areas and some continued challenges in others, it is nevertheless important for all lobbyists and their clients to review their lobbying practices early in 2018 to ensure continued compliance.

In addition to imposing new substantive requirements, the Honest Leadership and Open Government Act of 2007 requires the GAO to perform an annual audit of lobbyist compliance with the LDA. As in past years, the GAO looked at a random sample of publicly available lobbying reports – 98 quarterly LD-2 lobbying reports and 160 LD-203 contribution reports – to make some general conclusions about lobbying trends.

One positive development noted in the audit was that, while there is no specific statutory requirement to do so, 99% of all lobbyists were able – consistent with guidance issued by the Secretary of the U.S. Senate and the Clerk of the U.S. House of Representatives – to provide documentation for their reported income and expenses. (This was a “statistically significant increase” over 2016’s 83% figure.) The audit also noted that 93% of lobbyists filed their year-end LD-203 reports, as required, which was a figure generally consistent with the 2016 audit.

Some potential challenges, however, involved lobbyists’ reporting of previously-held positions in the Executive or Legislative branches. The audit found that approximately 15% of all LD-2 reports may have

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failed to completely disclose relevant positions (including things like paid congressional internships). The audit also showed that, of the 3,433 new lobbying registrations between July 1, 2016, and June 30, 2017, only 2,995 of them (or 87.2%) had corresponding LD-2 reports filed during the same quarter as the registration.

The report also discussed the involvement of the U.S. Attorney's Office in Washington, DC, which currently has a number of personnel assigned to review lobbyist filings on both a full- and part-time basis, in helping enforce the lobbying laws. According to the audit, there are four open matters involving chronic offenders that are in the enforcement phase, which could lead to a settlement or some form of civil action.

Wiley Rein has extensive experience advising clients on the LDA and how to structure corporate and associational programs to ensure that the relevant data is captured and reported. Please let us know if we can assist your organization in reviewing its LDA compliance activities before the 2018 audit gets going in earnest.