

## Why GAO Did This Study

HLOGA requires lobbyists to file quarterly lobbying disclosure reports and semiannual reports on certain political contributions. HLOGA also requires that GAO annually (1) audit the extent to which lobbyists can demonstrate compliance with disclosure requirements, (2) identify challenges to compliance that lobbyists report, and (3) describe the resources and authorities available to the U.S. Attorney's Office for the District of Columbia and the efforts the Office has made to improve its enforcement of the LDA, as amended. This is GAO's sixth report under the mandate.

GAO reviewed a stratified random sample of 100 quarterly disclosure LD-2 reports filed for the third and fourth quarters of calendar year 2011 and the first and second quarters of calendar year 2012. GAO also reviewed two random samples totaling 160 LD-203 reports from year-end 2011 and midyear 2012. This methodology allowed GAO to generalize to the population of 49,286 disclosure reports with \$5,000 or more in lobbying activity and 31,894 reports of federal political campaign contributions. GAO also met with officials from the Office to obtain updated statuses on the Office's efforts to focus resources on lobbyists who fail to comply.

GAO provided a draft of this report to the Attorney General for review and comment. The Assistant U.S. Attorney for the District of Columbia responded on behalf of the Attorney General that the Department of Justice had no comments on the draft of this report.

View [GAO-13-437](#). For more information, contact J. Christopher Mihm at (202) 512-6806 or [mihmj@gao.gov](mailto:mihmj@gao.gov).

## 2012 LOBBYING DISCLOSURE

### Observations on Lobbyists' Compliance with Disclosure Requirements

#### What GAO Found

Most lobbyists were able to provide documentation to demonstrate compliance with the disclosure requirements of the Lobbying Disclosure Act of 1995 (LDA), as amended by the Honest Leadership and Open Government Act of 2007 (HLOGA). For lobbying disclosure reports (LD-2), GAO estimates that

- 97 percent could provide documentation to support reported income and expenses;
- 74 percent of the reported income and expenses were properly rounded to the nearest \$10,000;
- 85 percent filed year-end 2011 or midyear 2012 federal political campaign (LD-203) reports as required; and
- a minimum of 15 percent of all LD-2 reports did not properly disclose formerly held covered positions as required. The LDA defines several types of covered positions, including members of Congress and their staff and certain executive branch officials.

These findings are consistent with reviews from prior years.

For LD-203 reports, GAO estimates that a minimum of 6 percent of all LD-203 reports omitted one or more reportable political contributions that were documented in the Federal Election Commission (FEC) database. Twenty-eight lobbyists in GAO's sample, compared to 17 last year, stated that they planned to amend their lobbying registration (LD-1) or LD-2 report following GAO's review to correct one or more data elements. Of these, 19 lobbyists had filed an amended report as of March 2013.

The majority of newly registered lobbyists filed LD-2 reports as required. Lobbyists are required to file LD-2 reports for the quarter in which they first register. GAO could identify corresponding reports on file for lobbying activity for 90 percent of registrants, which is similar to last year's findings.

Most lobbyists in our sample rated the terms associated with LD-2 reporting as "very easy" or "somewhat easy" to understand with regard to meeting their reporting requirements. However, a few cited challenges to complying with the LDA, as amended, such as differentiating between lobbying and non-lobbying activities.

The U.S. Attorney's Office for the District of Columbia (the Office) stated that it has sufficient authority and resources to enforce compliance with LDA requirements, including imposing civil or criminal penalties for noncompliance. Officials reported that during the 2012 reporting period, the Office took steps to pursue legal action, made phone contacts, or sent emails to eight registrants that had been repeatedly referred for failure to file required disclosure reports. Four of the registrants filed the outstanding reports or terminated their registration after being contacted by an Assistant U.S. Attorney. Additionally, in September 2012, the Office reached settlement agreements with two of the registrants for \$50,000 and \$30,000 in civil penalties. As of March 2013, both firms have paid their fines in full and complied with their ongoing reporting requirements. In February 2013, the Office sent demand letters to the two other registrants who, as of March 2013, have not responded.