

GAO Highlights

Highlights of [GAO-14-485](#), a report to congressional committees

Why GAO Did This Study

The LDA requires lobbyists to file quarterly lobbying disclosure reports and semiannual reports on certain political contributions. The LDA 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 Office in its role in enforcing LDA compliance and the efforts the Office has made to improve enforcement. This is GAO's seventh report under the mandate.

GAO reviewed a stratified random sample of 104 quarterly disclosure LD-2 reports filed for the third and fourth quarters of 2012 and the first and second quarters of calendar year 2013. GAO also reviewed two random samples totaling 160 LD-203 reports from year-end 2012 and midyear 2013. This methodology allowed GAO to generalize to the population of 65,489 disclosure reports with \$5,000 or more in lobbying activity and 31,482 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. On behalf of the Attorney General, the Assistant U.S. Attorney for the District of Columbia responded that the Department of Justice had no comments.

View [GAO-14-485](#). For more information, contact Seto Bagdoyan at (202) 512-4749 or bagdoyans@gao.gov.

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2013 LOBBYING DISCLOSURE

Observations on Lobbyists' Compliance with Disclosure Requirements

What GAO Found

Most lobbyists provided documentation for key elements of their disclosure reports to demonstrate compliance with the Lobbying Disclosure Act of 1995, as amended (LDA). For lobbying disclosure (LD-2) reports and political contribution (LD-203) reports GAO estimated the following:

- Ninety-six percent 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.
- Ninety-six percent could provide documentation for income and expenses. However, 33 percent of these LD-2 reports were not properly rounded to the nearest \$10,000.
- Ninety-two percent filed year-end 2012 or midyear 2013 LD-203 reports as required.
- Seventeen percent of all LD-2 reports did not properly disclose one or more previously held covered position as required.
- Four percent of all LD-203 reports omitted one or more reportable political contributions that were documented in the Federal Election Commission database.

These findings are generally consistent with GAO's reviews from 2010 through 2012 and can be generalized to the population of disclosure reports.

Most lobbyists in GAO's sample rated the terms associated with LD-2 reporting as "very easy" or "somewhat easy" to understand with regard to meeting reporting requirements. However, some disclosure reports demonstrate compliance difficulties, such as failure to disclose covered positions or misreporting of income or expenses. In addition, lobbyists amended 18 of 104 original disclosure reports in GAO's sample to change previously reported information.

The U.S. Attorney's Office for the District of Columbia (the Office) stated it has sufficient authority and resources to enforce LD-2 and LD-203 compliance with the LDA for lobbying firms and certain individual lobbyists. It has one contract paralegal working full time and six attorneys working part time on LDA enforcement issues. The Office continues its efforts to follow up on referrals for noncompliance with lobbying disclosure requirements by contacting lobbyists by e-mail, telephone, and letter. In March 2014, the Office filed a civil complaint against a lobbyist for failure to comply with LDA reporting requirements.

GAO's first report on lobbying disclosure under the LDA concluded that the lobbying community could benefit from creating an entity to share examples of best practices, provide training, and report annually on opportunities to clarify guidance and minimize sources of potential confusion for the lobbying community. Given the ongoing difficulties with compliance, GAO continues to believe that such an entity could be useful to the lobbying community.