

GAO Highlights

Highlights of [GAO-18-388](#), a report to congressional committees

Why GAO Did This Study

The LDA, as amended, requires lobbyists to file quarterly disclosure reports and semiannual reports on certain political contributions. The law also includes a provision for GAO to annually audit lobbyists' compliance with the LDA. GAO's objectives were to (1) determine 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 USAO in its role in enforcing LDA compliance, and the efforts USAO has made to improve enforcement. This is GAO's 11th report under the provision.

GAO reviewed a stratified random sample of 98 quarterly disclosure LD-2 reports filed for the third and fourth quarters of calendar year 2016 and the first and second quarters of calendar year 2017. GAO also reviewed two random samples totaling 160 LD-203 reports from year-end 2016 and midyear 2017. This methodology allowed GAO to generalize to the population of 45,818 disclosure reports with \$5,000 or more in lobbying activity, and 30,594 reports of federal political campaign contributions. GAO also met with officials from USAO to obtain status updates on its efforts to focus resources on lobbyists who fail to comply.

GAO is not making any recommendations in this report. GAO provided a draft of this report to the Department of Justice for review and comment. The Department of Justice provided technical comments, which GAO incorporated as appropriate.

View [GAO-18-388](#). For more information, contact Yvonne D. Jones, at (202) 512-2717 or jonesy@gao.gov.

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2017 LOBBYING DISCLOSURE

Observations on Lobbyists' Compliance with Disclosure Requirements

What GAO Found

For the 2017 reporting period, 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 contributions (LD-203) reports filed during the third and fourth quarter of 2016 and the first and second quarter of 2017, GAO estimates that

- 87 percent of lobbyists filed reports as required for the quarter in which they first registered; the figure below describes the filing process and enforcement;
- 99 percent of all lobbyists who filed (up from 83 percent in 2016) could provide documentation for income and expenses; and
- 93 percent filed year-end 2016 LD-203 reports as required.

These findings are generally consistent with prior reports GAO issued for the 2010 through 2016 reporting periods. However, in recent years GAO's findings showed some variation in the estimated percentage of reports with supporting documentation. For example, an estimated increase in lobbyists who could document expenses is notable in 2017 and represents a statistically significant increase from 2016.

As in GAO's other reports, some lobbyists were still unclear about the need to disclose certain previously held covered positions, such as paid congressional internships or certain executive agency positions. GAO estimates that 15 percent of all LD-2 reports may not have properly disclosed previously held covered positions. On the other hand, over the past several years of reporting on lobbying disclosure, GAO found that most lobbyists in the sample rated the terms associated with LD-2 reporting as "very easy" or "somewhat easy" to understand.

The U.S. Attorney's Office for the District of Columbia (USAO) stated it has sufficient resources and authority to enforce compliance with the LDA. USAO continued its efforts to bring lobbyists into compliance by reminding them to file reports or by applying civil penalties.

Disclosure Process for Lobbying Firms



Lobbyists or lobbying firms enter into an **agreement** with new client.

Within 45 days of being employed or retained to make lobbying contacts on behalf of a client, the lobbyist must register by **filing an LD-1** form with the Secretary of the Senate and the Clerk of the House.

File LD-2 quarterly report of lobbying activities for each registration filed to maintain an active status.

File LD-203 disclosing certain political contributions 30 days after the end of a semiannual period.

Lobbyists or lobbying firms who do not comply with filing requirements are notified by the Secretary of the Senate and the Clerk of the House. Further **noncompliance** could result in the Office of the United States Attorney for the District of Columbia imposing civil or criminal penalties.

Source: GAO analysis of the Lobbying Disclosure Act of 1995, as amended. | GAO-18-388