

Congress Amends LDA Forms to Require Reporting of Lobbyist Convictions

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Election and Political Law

The recent passage of the [Justice Against Corruption on K Street Act of 2018](#) (“JACK Act” or the “Act”) imposes new requirements on those registering and filing reports under the Lobbying Disclosure Act (“LDA”). The Act amends the LDA to require that LDA registrants disclose listed lobbyists’ convictions for criminal offenses involving bribery, extortion, embezzlement, illegal kickbacks, tax evasion, fraud, conflicts of interest, making a false statement, perjury, or money laundering.

Background

The JACK Act was inspired by Jack Abramoff, whose alleged corrupt lobbying activities placed him at the center of a political scandal that led to the conviction of more than twenty lobbyists, congressional aides, and politicians. Between 2006 and 2008, Abramoff himself was convicted of crimes including fraud, tax evasion, conspiracy to bribe public officials, and bribery of public officials. After serving four years in federal prison, Abramoff emerged as a purported political reformer, only to begin lobbying again.

The Law

Congress passed the JACK Act in response to Mr. Abramoff’s post-prison lobbying activities, in order to shed light on registered lobbyists with prior convictions. The Act specifically amends the LDA’s registration (form LD-1) and quarterly reporting (form LD-2) requirements to require registrants to report the date of conviction and a description of the offense “for any listed lobbyist who was convicted in a Federal or State court of an offense involving bribery, extortion, embezzlement, an illegal kickback, tax evasion, fraud, a conflict of interest, making a false statement, perjury, or money laundering.” Those who violate the JACK Act’s requirements are subject to the civil and criminal penalty provisions of the LDA. Those provisions establish civil penalties of up to \$200,000 in fines for lack of compliance with LDA requirements or failure to appropriately remedy defective filings following notification. On the criminal side, those who “knowingly and corruptly” fail to comply with LDA requirements may be fined, imprisoned for up to five years, or both.

Going Forward

Amendments to Q4 2018 reports. The JACK Act took effect on January 3, 2019. As a result, any fourth quarter lobbying activity reports filed after January 3 are thus subject to its requirements. Although guidance released by the Clerk of the House of Representatives is ambiguous as to whether all registrants are required to amend Q4 2018 reports if they were filed on or after January 3, the Office of the Secretary of the Senate has confirmed to Covington that registrants with no reportable convictions need not amend registrations or quarterly reports filed on or after

January 3. However, registrants who have relevant convictions to report must file an amendment to their Q4 2018 reports, if those reports were filed on or after January 3. [Guidance from the House Office of the Clerk](#) provides additional information about how to disclose required information.

Future reporting. Moving forward, the JACK Act requires LDA registrants to take additional steps before filing lobbying disclosures. LD-1 and LD-2 forms now ask registrants to indicate whether or not lobbyists have reportable convictions, on lines 15 and 29, respectively. The LDA online filing system has been updated accordingly. To ensure filings are accurate, registrants should therefore conduct internal due diligence to identify any registered lobbyists' reportable offenses. This diligence process could take a variety of forms, but it should at a minimum capture information concerning newly registered lobbyists and should provide a mechanism requiring all lobbyists promptly to inform those responsible for filing the registrant's forms LD-1 and LD-2 of any relevant convictions. Because a lobbyist's reportable convictions must be disclosed publicly on all future registrations or quarterly reports listing that lobbyist, registrants should be prepared for the reputational concerns and public scrutiny that may arise from employing or retaining a lobbyist with a reportable criminal history.

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