



TEXAS ETHICS COMMISSION



****Overruled, Modified, Clarified, or Superseded****

ETHICS ADVISORY OPINION NO. 115

February 18, 1993

*Whether partnership registration exempts individual partners from lobby registration requirements.
(AOR-94)*

The Texas Ethics Commission has been asked if individual partners must register as lobbyists if the partnership itself registers as a lobbyist under chapter 305 of the Texas Government Code. The requestor proposes listing the partners as assistants to the registrant rather than having them individually register. Gov't Code § 305.005(f)(5).

In the situation presented, the partnership's clients contract with and pay the partnership. All fees are deposited in the partnership account, from which the partners receive a draw and reimbursement for expenses. Each partner receives a monthly draw based on the percentage of his ownership of the partnership. Under the provisions of chapter 305 of the Government Code, a person is required to register as a lobbyist if he is compensated or reimbursed more than \$200 in a calendar quarter to communicate directly with members of the legislative or executive branch of state government to influence legislation or administrative action.¹ Gov't Code § 305.003(a) (2). "Compensation" for purposes of the lobby statute is defined as "money, service, facility, or other thing of value or financial benefit that is received or is to be received in return for or in connection with services rendered or to be rendered." *Id.* § 305.002(3). Money distributed from a partnership to individual partners is "compensation" for purposes of the lobby statute, regardless of whether the partnership is registered.² Similarly, reimbursement from the partnership to an individual partner for his actual expenses in connection with his lobby activities is "reimbursement" for purposes of the lobby statute.

Therefore, if an individual partner is compensated or reimbursed more than \$200 in a calendar quarter through the partnership account for communicating with members of the legislative or executive branch to influence legislation or executive action, and the partner is not otherwise exempt from registration,³ that partner must individually register as a lobbyist. There is no provision in Government Code chapter 305, the lobby statute, that would exempt a partner from the registration requirement simply because the partnership itself is registered as a lobbyist.⁴ Registration by the individual in these circumstances serves the purpose of making documents filed with the Ethics Commission accessible to someone not familiar with the partner-ship.

SUMMARY

A partnership's registration as a lobbyist does not exempt from lobby registration an individual partner who otherwise meets Government Code chapter 305 registration requirements. Money that a partnership distributes to an individual partner for that individual's lobby activities is "compensation" for purposes of the lobby statute.

¹ A person's own travel, food, lodging, and membership dues are excluded in calculating this threshold.

² Note that this opinion does not address whether a partnership or other entity may be required to register under the compensation threshold. See [Ethics Advisory Opinion No. 89](#) (1992) (setting out circumstances in which entity is required to register as lobbyist). Tex.

Ethics Comm'n, 17 Tex. Reg. 4445-46 (1992) (to be codified at title 1, section 40.13(c), of the Texas Administrative Code).

³ The lobby statute and rules promulgated by the commission contain various exemptions from registration. *See* Gov't Code § 305.004; Tex. Ethics Comm'n, 17 Tex. Reg. 4444, 6893-94 (1992) (to be codified at title 1, sections 40.3(c)-(d), 40.5 and 40.7, of the Texas Administrative Code).

⁴ The fact that an individual is himself registered as a lobbyist does not preclude his being listed as an assistant on another registrant's registration. Gov't Code § 305.005(b)(5).