

ADVISORY OPINION NO. 91-01
ISSUED BY THE
WEST VIRGINIA ETHICS COMMISSION
ON FEBRUARY 7, 1991

GOVERNMENTAL BODY SEEKING OPINION

President of a Lobbying Association

OPINION SOUGHT

Whether a lobbying Association is required to report expenditures incurred during a campaign to inform newspaper editors and citizens of the cost of providing credit service presently charged by retailers who offer customer credit?

FACTS RELIED UPON BY THE COMMISSION

The West Virginia Lending and Credit Rate Board determines what interest rates various entities may charge when providing financing and customer credit. This Board meets only when there is a request for an increase or decrease in the established interest percentage rate.

A West Virginia lobbying Association has retained a public relations firm to assist in a campaign to educate and inform newspaper editors and citizens of the cost of providing credit service as it relates to sales finance charges presently charged by retailers in West Virginia who offer customers credit.

The Association believes that by educating the general public as to the actual cost of credit, the Association can avoid or alleviate the tremendous amount of negative media attention they receive following a rate hike request. The requestor states that the purpose of the campaign is not to influence legislation, a rule or rate.

PERTINENT STATUTORY PROVISIONS RELIED UPON BY THE COMMISSION

West Virginia Code Section 6B-3-5(1) states in pertinent part that...Any person who has made expenditures, not required to be reported under other sections of this chapter, exceeding five hundred dollars in the aggregate within any three month period or exceeding two hundred dollars in the aggregate within any one-month period in presenting a program addressed to the public, a substantial portion of which is intended, designed or calculated primarily to influence legislation, shall be required to register and report...as a sponsor of a grass roots lobbying campaign.

West Virginia Code Section 6B-3-5(2) states in pertinent part that...within thirty days after becoming a sponsor of a grass roots lobbying campaign, the sponsor shall register by filing with the Ethics Commission a registration statement...showing:

(b) The names, addresses and business or occupation of all persons organizing and managing the campaign, or hired to assist the campaign, including any public relations or

advertising firms...

(d) The purpose of the campaign, including the specific legislation, rules, rates, standards or proposals that are the subject matter of the campaign;...

ADVISORY OPINION

Pursuant to subsection 6B-3-5(1) of the West Virginia Ethics Act, any person who is a sponsor of a grass roots campaign is required to register and report expenditures.

A grass roots lobbying campaign has been defined by the Commission as a program addressed to the public, **a substantial portion** of which is intended, designed or calculated primarily to influence legislation.

Although the lobbying Association is sponsoring a campaign aimed at the general public, the intent of the campaign is merely to inform and educate citizens of the cost incurred by West Virginia retailers when providing customers with financing and credit and not to influence legislation.

Therefore, the lobbying Association would not be required to register and report the expenditures incurred in this campaign to the Ethics Commission since the activity would not be considered a grass roots lobbying campaign.

Chairman