



## GUIDING PRINCIPLES OF ETHICAL CONDUCT FOR LOBBYISTS AND EMPLOYERS OF LOBBYISTS

Under T.C.A. § 3-6-106(a)(1)(C), the Tennessee Ethics Commission (“Commission”) was given the responsibility to recommend guiding principles of ethical conduct for lobbyists and employers of lobbyists. Hence, the purpose of this Guide is to provide lobbyists and their employers these suggested standards of ethical conduct when retaining or providing lobbying services in the State of Tennessee.

Lobbying is an integral part of our nation's democratic process and is a constitutionally guaranteed right. Government officials are continuously making public policy decisions that affect the vital interests of individuals, corporations, charitable institutions and other entities. Public officials need to receive factual information from affected interests and to know such parties' views in order to make informed policy judgments. In exercising their rights to try to influence public policy, interests often choose to employ professional representatives to monitor developments and advocate their positions, or to use lobbyists through their membership in trade associations and other organizations.

To help preserve and advance public trust and confidence in our democratic institutions and the public policy advocacy process, professional lobbyists and their employers have a strong obligation to act always in the highest ethical manner in their dealings with all parties. In general, this Guide is recommended to independent lobbyists who are retained to represent third party clients' interests, to “in house” lobbyists employed on the staff of corporations, associations and other entities where their employer is in effect their “client,” and to those who employ lobbyists. Lobbyists and their employers are urged to practice the highest ethical conduct in their lobbying endeavors.

### **ARTICLE I - HONESTY & INTEGRITY**

A lobbyist should conduct lobbying activities with honesty and integrity.

- 1.1. A lobbyist should be truthful in communicating with public officials and with other interested persons and should seek to provide factually correct, current and accurate information.
- 1.2. If a lobbyist determines that the lobbyist has provided a public official or other interested person with factually inaccurate information of a significant, relevant, and material nature, the lobbyist should promptly provide the factually accurate information to the interested person.

- 1.3. If a material change in factual information that the lobbyist provided previously to a public official causes the information to become inaccurate and the lobbyist knows the public official may still be relying upon the information, the lobbyist should provide accurate and updated information to the public official.
- 1.4 An employer who becomes aware that a lobbyist has failed to meet 1.1-1.3 should make reasonable efforts to correct the situation.

## **ARTICLE II - COMPLIANCE WITH APPLICABLE LAWS, REGULATIONS & RULES**

Lobbyists and employers should seek to comply fully with all laws, regulations and rules applicable to the lobbyist and employer.

- 2.1. A lobbyist and employer should be familiar with laws, regulations and rules applicable to the lobbying profession in the State of Tennessee and should not engage in any violation of such laws, regulations and rules. Lobbyists and employers should maintain awareness of the Commission's rules and guidelines and attend lobbyist training when required.
- 2.2. A lobbyist and employer should not knowingly cause a public official to violate any law, regulation or rule applicable to such public official, and if one is aware of a potential violation, should bring the same to the other's attention.
- 2.3 A lobbyist or employer should timely register and file reports with the Commission as required and should keep their information up to date.
- 2.4 An employer should not request a lobbyist to engage in any activity that is in violation of the law or that is otherwise unethical under these Guiding Principles.

## **ARTICLE III - PROFESSIONALISM**

A lobbyist should conduct lobbying activities in a fair and professional manner.

- 3.1. A lobbyist should have a basic understanding of the legislative and governmental process and such specialized knowledge as is necessary to represent an employer in a competent, professional manner.
- 3.2 A lobbyist should maintain the lobbyist's understanding of governmental processes and specialized knowledge through appropriate methods such as continuing study, seminars and similar sessions in order to represent an employer in a competent, professional manner.
- 3.3 A lobbyist should treat others—both allies and adversaries—with respect and civility.

## **ARTICLE IV - CONFLICTS OF INTEREST**

A lobbyist should not undertake or continue representations that may create conflicts of interest without the informed consent of the employer or potential employer involved.

- 4.1 If a lobbyist's work for one employer on an issue may have a significant adverse impact on the interests of another of the lobbyist's employers, the lobbyist should so inform both employers whose interests may be affected and obtain their consent even if the lobbyist is not representing the other employer on the same issue.
- 4.2 A lobbyist should avoid advocating a position on an issue if the lobbyist is also representing another employer on the same issue with a conflicting position.
- 4.3 A lobbyist should disclose all potential conflicts to the employer or prospective employer and discuss and resolve the conflict issues promptly.
- 4.4 A lobbyist should inform the employer if any other person is receiving a direct or indirect referral or consulting fee or other thing of value from the lobbyist in consideration for or in connection with the employer's work, and should additionally inform the employer of the amount of such fee, payment or other consideration

#### **ARTICLE V - DUE DILIGENCE & BEST EFFORTS**

A lobbyist should vigorously and diligently advance and advocate the employer's interests.

- 5.1 A lobbyist should devote adequate time, attention, and resources to the employer's interests.
- 5.2 A lobbyist should exercise loyalty to the employer's interests.
- 5.3 A lobbyist should keep the employer informed regarding the work that the lobbyist is undertaking and, to the extent possible, should give the employer the opportunity to choose between various options and strategies.

#### **ARTICLE VI - COMPENSATION AND ENGAGEMENT TERMS**

- 6.1 An independent lobbyist who is retained by an employer should have a written agreement with the employer setting forth the terms and conditions for the lobbyist's services, including the amount of and basis for compensation.
- 6.2 No employer of a lobbyist shall offer or pay and no lobbyist shall solicit or accept any fee, compensation or bonus for lobbying wherein the amount of the fee, compensation or bonus is contingent upon achievement of an outcome deemed to be successful for the employer.

#### **ARTICLE VII - CONFIDENTIALITY**

A lobbyist should maintain appropriate confidentiality of employer information.

- 7.1 A lobbyist should not disclose confidential information without the employer's informed consent.

- 7.2 A lobbyist should not use confidential employer information against the interests of an employer, or for any purpose that is not contemplated by the engagement or terms of employment.

### **ARTICLE VIII - DUTY TO GOVERNMENTAL INSTITUTIONS**

In addition to fulfilling the lobbyist's duties and responsibilities to the employer, a lobbyist and employer should exhibit proper respect for the governmental institutions before which the lobbyist represents and advocates an employer's interests.

- 8.1 A lobbyist or employer should not act in any manner that will undermine public confidence and trust in the democratic governmental process.
- 8.2 A lobbyist or employer should not act in a manner that shows disrespect for government institutions or the public.