

2012 Lobbyist Registration Audit of Jennifer Murphy

FINDING

Jennifer Murphy appears to be in violation of T.C.A. § 3-6-304(k) by receiving compensation for lobbying services on a contingent basis.

EMPLOYER

- Catholic Public Policy Commission of Tennessee
- Tennessee Disability Coalition
- Tennessee Professional Fire Fighters Assn.

REGISTRATIONS

Ms. Jennifer Murphy registered as a lobbyist for three employers during 2012. Based on the audit documentation, Ms. Murphy timely registered her lobbying relationship with each employer.

LOBBYING AGREEMENTS

Based on a review of the audit documentation provided by Ms. Jennifer Murphy, she was a contract lobbyist. She had written contracts (Memorandum of Understanding) with each employer. The lobbyist provided copies of the contracts for each employer for lobbying services; the contracts appear to be within the statutes for lobbying activities including having no terms for contingency payments based on lobbying success.

During the audit, the auditor became aware of an additional relationship between Tennessee Disability Coalition and Jennifer Murphy. The relationship was reported in 2010 by the Tennessee Disability Coalition in their charitable organizations filings with the IRS on their Form 990 Schedule G. The filing indicated the Tennessee Disability Coalition was fundraising through solicitation of government grants. In addition, it provided that for the 2010 filing period, Tennessee Disability Coalition received \$646,674 from “portion of marriage tax application” and paid Murphy and Associates \$64,668. It was determined that pursuant to T.C.A. § 36-6-413(b)(2)(D), Tennessee Disability Coalition receives \$20.50 from each marriage license fee paid.

After reviewing the filings and T.C.A., the auditor asked for details from the lobbyist on this relationship and current status of the relationship. The lobbyist indicated the relationship was still active and provided the Memorandum of Understanding for 2012 (contract). The contract indicated the agreement was a “consulting and fundraising” agreement that commenced in 2002 (same year T.C.A. § 36-6-413(b)(2)(D) was passed to include a \$20.50 payment to Tennessee Disability Coalition for each marriage license). The agreement states that “Murphy and Associates would receive 10% of any funds raised through their involvement and that funding sources identified from 2002 to 2004 were still in force for 2012.” The memorandum was signed by Jennifer Murphy for Murphy and Associates. Records from the Tennessee Secretary of State, Division of Charitable Solicitations and Gaming indicate that Jennifer Murphy is not registered as a fundraiser.

Based on the information collected, the auditor determined that the funds provided to Tennessee Disability Coalition were not associated with a government grant but a statute that

allocates funds directly to the organization. The “fundraising” appears to be related to the original passage of or continued existence of T.C.A. § 36-6-413(b)(2)(D). Therefore, the “fundraising” would appear to be lobbying, as defined by statute, lobbying is communications with governmental officials for the purpose of influencing legislation [T.C.A. § 3-6-301(16)]. The compensation paid to Murphy and Associates appears to be contingent on the continued existence of the statute. As a result it appears the lobbyist is in violation of T.C.A. § 3-6-304(k), which states “...no lobbyist shall solicit or accept any fee, compensation or bonus wherein the amount of fee, compensation or bonus is contingent upon the achievement of an outcome deemed to be successful for the employer”.

FAMILY OR BUSINESS ARRANGEMENTS WITH PUBLIC OFFICIALS

Ms. Murphy reported she had no business or familial relationships with persons who were officials in the legislative branch or officials in the executive branch.

TRAINING & FEES

Based on review of the Bureau of Ethics and Campaign Finance’s lobbyist records, Ms. Murphy completed her required lobbyist training for the 2012 registration year and paid all registration fees.