

HOUSE BILL 974

Unofficial Copy
G2
SB 468/89 - JPR

2000 Regular Session
0lr2738
CF 0lr2737

By: **Delegate Taylor**

Introduced and read first time: February 11, 2000

Assigned to: Commerce and Government Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Ethics - Lobbyists - Disclosure of Business Transactions**

3 FOR the purpose of requiring a regulated lobbyist to file a certain report with the
4 State Ethics Commission disclosing certain business transactions between the
5 regulated lobbyist and certain public officials and business entities; and
6 generally relating to the disclosure of certain business transactions by regulated
7 lobbyists.

8 BY repealing and reenacting, with amendments,
9 Article - State Government
10 Section 15-704
11 Annotated Code of Maryland
12 (1999 Replacement Volume)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article - State Government**

16 15-704.

17 (a) (1) A regulated lobbyist shall file with the Ethics Commission, under
18 oath and for each registration, a separate report concerning the regulated lobbyist's
19 lobbying activities:

20 (i) by May 31 of each year, to cover the period from November 1 of
21 the previous year through April 30 of the current year; and

22 (ii) by November 30 of each year, to cover the period from May 1
23 through October 31 of that year.

24 (2) If the regulated lobbyist is not an individual, an authorized officer or
25 agent of the regulated lobbyist shall sign the report.

26 (3) If a prorated amount is reported as compensation, it shall be labeled
27 as prorated.

1 (b) Subject to subsection (e) of this section, a report required by this section
2 shall include:

3 (1) a complete, current statement of the information required under §
4 15-703(b) of this subtitle;

5 (2) total expenditures in connection with influencing executive action or
6 legislative action in each of the following categories:

7 (i) total compensation paid to the regulated lobbyist, excluding:

8 1. expenses reported under this paragraph; and

9 2. salaries, compensation, and reimbursed expenses for the
10 regulated lobbyist's staff;

11 (ii) unless reported under subparagraph (i) of this paragraph:

12 1. office expenses of the regulated lobbyist; and

13 2. professional and technical research and assistance;

14 (iii) publications that expressly encourage communication with one
15 or more officials or employees;

16 (iv) witnesses, including the name of each and the fees and
17 expenses paid to each;

18 (v) meals and beverages for officials, employees, or members of the
19 immediate families of officials or employees;

20 (vi) 1. for officials of the Legislative Branch, food, beverages, and
21 incidental expenses for a meal or reception, to which were invited all members of a
22 legislative unit;

23 2. food or beverages received by members of the General
24 Assembly at the time and geographic location of a meeting of a legislative
25 organization for which the member's presiding officer has approved the member's
26 attendance at State expense; and

27 3. tickets or free admission extended to members of the
28 General Assembly by the person sponsoring or conducting the event as a courtesy or
29 ceremony to the office to attend a charitable, cultural, or political event to which were
30 invited all members of a legislative unit;

31 (vii) 1. food, lodging, and scheduled entertainment of officials and
32 employees for a meeting, if given in return for participation in a panel or speaking
33 engagement at the meeting; and

1 2. if more than \$200 of the expenses reported in item 1 of this
2 subparagraph are for any one official or employee at any meeting, the individual's
3 name and the amount spent;

4 (viii) other gifts to or for officials, employees, or members of the
5 immediate families of officials or employees; and

6 (ix) other expenses;

7 (3) as to expenditures reported in paragraph (2)(vi) and (vii) of this
8 subsection, the date, location, and total expense of the regulated lobbyist for the event
9 or meeting; and

10 (4) subject to subsection (d) of this section, the name of each official,
11 employee, or member of the immediate family of an official or employee, to or for
12 whom, during a reporting period, one or more gifts with a cumulative value of \$75 or
13 more are given, regardless of whether a gift is attributable to more than one entity
14 and whether or not in connection with lobbying activities, by the regulated lobbyist or
15 any entity acting on behalf of the regulated lobbyist, however, except as provided in
16 paragraph (2)(vi)2 of this subsection and for each of two or more tickets or free
17 admissions extended to a member of the General Assembly with a cumulative value of
18 \$100 or more received from one entity during the applicable period as provided in
19 paragraph (2)(vi) of this subsection, expenses reported in paragraph (2)(vi) and (vii) of
20 this subsection need not be allocated to an individual.

21 (c) (1) This subsection applies only to a regulated lobbyist, other than an
22 individual, that is organized and operated for the primary purpose of attempting to
23 influence legislative action or executive action.

24 (2) In addition to the other reports required under this section, a
25 regulated lobbyist subject to this subsection shall report the name and permanent
26 address of each entity that provided at least 5% of the regulated lobbyist's total
27 receipts during the preceding 12 months.

28 (3) For the purpose of the reporting and registration requirements of this
29 subtitle, receipts of a regulated lobbyist subject to this subsection include funds spent
30 on the regulated lobbyist's behalf, at its direction, or in its name.

31 (d) (1) Subject to subsection (e) of this section, in addition to any other
32 report required under this section, a regulated lobbyist shall file, with the report
33 required by subsection (a) of this section, a report disclosing the name of any State
34 official of the Executive Branch or member of the immediate family of a State official
35 of the Executive Branch who has benefited during the reporting period from gifts of
36 meals or beverages, whether or not in connection with lobbying activities, allowed
37 under § 15-505(c)(2)(i) of this title from the regulated lobbyist.

38 (2) Gifts reported by name of recipient under subsection (b)(2)(vii) of this
39 section and receptions and tickets or free admission listed under subsection (b)(2)(vi)
40 of this section need not be allocated for the purposes of disclosure under paragraph (1)
41 of this subsection.

1 (3) The disclosure required by this subsection shall be under oath or
2 affirmation, on a form issued by the Ethics Commission, and shall include:

3 (i) the name and business address of the regulated lobbyist;

4 (ii) the name of each recipient of a gift of a meal or beverages;

5 (iii) the date and value of each gift of a meal or beverages, and the
6 identity of the entity or entities to which the gift is attributable; and

7 (iv) the total cumulative value of gifts of meals or beverages,
8 calculated as to each recipient.

9 (4) The regulated lobbyist may explain the circumstances under which
10 the gift of a meal or beverages was given.

11 (5) Gifts of meals or beverages reported by a regulated lobbyist under
12 this subsection need not be counted or reported by the regulated lobbyist for purposes
13 of disclosure under subsection (b)(4) of this section.

14 (e) This section does not require the disclosure by a regulated lobbyist of any
15 gift to the regulated lobbyist's immediate family, if the gift is:

16 (1) purely personal and private in nature and not related to the
17 regulated lobbyist's lobbying activities; and

18 (2) from the regulated lobbyist's personal funds and not attributable to
19 any other entity or entities.

20 (F) (1) IN ADDITION TO ANY OTHER REPORT REQUIRED UNDER THIS
21 SECTION, A REGULATED LOBBYIST SHALL FILE, WITH THE REPORT REQUIRED BY
22 SUBSECTION (A) OF THIS SECTION, A REPORT THAT DISCLOSES ANY BUSINESS
23 TRANSACTION OR SERIES OF BUSINESS TRANSACTIONS THAT THE REGULATED
24 LOBBYIST HAD WITH AN INDIVIDUAL OR BUSINESS ENTITY LISTED IN PARAGRAPH (2)
25 OF THIS SUBSECTION THAT:

26 (I) INVOLVED THE EXCHANGE OF VALUE OF \$1,000 OR MORE FOR A
27 SINGLE TRANSACTION OR INVOLVED THE EXCHANGE OF VALUE OF \$5,000 OR MORE
28 FOR A SERIES OF TRANSACTIONS; AND

29 (II) OCCURRED IN THE PREVIOUS 12 MONTHS.

30 (2) A REGULATED LOBBYIST IS SUBJECT TO THE REPORTING
31 REQUIREMENTS OF THIS SECTION IF THE REGULATED LOBBYIST ENGAGES IN A
32 BUSINESS TRANSACTION WITH:

33 (I) A MEMBER OF THE GENERAL ASSEMBLY;

34 (II) THE GOVERNOR;

35 (III) THE LIEUTENANT GOVERNOR;

- 1 (IV) THE ATTORNEY GENERAL;
- 2 (V) THE SECRETARY OF STATE;
- 3 (VI) THE COMPTROLLER OF THE TREASURY;
- 4 (VII) THE STATE TREASURER;
- 5 (VIII) THE SECRETARY OF ANY PRINCIPAL STATE DEPARTMENT;
- 6 (IX) THE SPOUSE OF AN INDIVIDUAL LISTED IN ITEMS (I) THROUGH
7 (VIII) OF THIS PARAGRAPH;
- 8 (X) A BUSINESS ENTITY IN WHICH AN INDIVIDUAL LISTED IN
9 ITEMS (I) THROUGH (IX) OF THIS PARAGRAPH PARTICIPATES AS A PROPRIETOR OR
10 PARTNER; OR
- 11 (XI) A BUSINESS ENTITY WHERE AN INDIVIDUAL LISTED IN ITEMS
12 (I) THROUGH (IX) OF THIS PARAGRAPH HAS AN OWNERSHIP INTEREST OF AT LEAST
13 30% IN THE ENTITY.
- 14 (3) THE DISCLOSURE REQUIRED UNDER THIS SUBSECTION SHALL
15 INCLUDE:
- 16 (I) THE DATE OF THE BUSINESS TRANSACTION OR DATES OF EACH
17 OF THE SERIES OF TRANSACTIONS;
- 18 (II) THE NAME AND TITLE OF THE OFFICIAL LISTED IN PARAGRAPH
19 (2) OF THIS SUBSECTION WHO WAS INVOLVED IN EACH BUSINESS TRANSACTION OR
20 SERIES OF TRANSACTIONS; AND
- 21 (III) THE NATURE AND VALUE OF ANYTHING EXCHANGED.
- 22 [(f)] (G) The Ethics Commission may require a regulated lobbyist to file any
23 additional report the Ethics Commission determines to be necessary.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 2000.