

HOUSE BILL 974

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SB 468/89 - JPR

2000 Regular Session
0lr2738
CF 0lr2737

By: ~~Delegate Taylor~~ Delegates Taylor and Mandel
Introduced and read first time: February 11, 2000
Assigned to: Commerce and Government Matters

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 23, 2000

CHAPTER _____

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~~ certain
4 individual regulated lobbyists to file certain reports with the State Ethics
5 Commission disclosing certain business transactions ~~between the regulated~~
6 ~~lobbyist and~~ involving certain public officials and business entities; providing
7 that this Act may not be construed to apply to specified entities; and generally
8 relating to the disclosure of certain business transactions by individual
9 regulated lobbyists.

10 BY repealing and reenacting, with amendments,
11 Article - State Government
12 Section 15-704
13 Annotated Code of Maryland
14 (1999 Replacement Volume)

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

17 **Article - State Government**

18 15-704.

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

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

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

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

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

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

11 (1) a complete, current statement of the information required under §
12 15-703(b) of this subtitle;

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

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

- 16 1. expenses reported under this paragraph; and
17 2. salaries, compensation, and reimbursed expenses for the
18 regulated lobbyist's staff;

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

- 20 1. office expenses of the regulated lobbyist; and
21 2. professional and technical research and assistance;

22 (iii) publications that expressly encourage communication with one
23 or more officials or employees;

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

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

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

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

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

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

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

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

13 (ix) other expenses;

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

17 (4) subject to subsection (d) of this section, the name of each official,
18 employee, or member of the immediate family of an official or employee, to or for
19 whom, during a reporting period, one or more gifts with a cumulative value of \$75 or
20 more are given, regardless of whether a gift is attributable to more than one entity
21 and whether or not in connection with lobbying activities, by the regulated lobbyist or
22 any entity acting on behalf of the regulated lobbyist, however, except as provided in
23 paragraph (2)(vii)2 of this subsection and for each of two or more tickets or free
24 admissions extended to a member of the General Assembly with a cumulative value of
25 \$100 or more received from one entity during the applicable period as provided in
26 paragraph (2)(vi) of this subsection, expenses reported in paragraph (2)(vi) and (vii) of
27 this subsection need not be allocated to an individual.

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

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

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

38 (d) (1) Subject to subsection (e) of this section, in addition to any other
39 report required under this section, a regulated lobbyist shall file, with the report
40 required by subsection (a) of this section, a report disclosing the name of any State

1 official of the Executive Branch or member of the immediate family of a State official
2 of the Executive Branch who has benefited during the reporting period from gifts of
3 meals or beverages, whether or not in connection with lobbying activities, allowed
4 under § 15-505(c)(2)(i) of this title from the regulated lobbyist.

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

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

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

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

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

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

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

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

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

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

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

28 (F) (1) (I) THIS SUBSECTION ONLY APPLIES TO AN INDIVIDUAL
29 REGULATED LOBBYIST DESCRIBED IN § 15-701(A)(1), (2), OR (3) OF THIS SUBTITLE WHO
30 LOBBIES THE EXECUTIVE OR LEGISLATIVE BRANCH.

31 (II) THIS SUBSECTION MAY NOT BE CONSTRUED TO APPLY TO AN
32 ENTITY THAT EMPLOYS AN INDIVIDUAL REGULATED LOBBYIST WHO IS DESCRIBED
33 IN § 15-701(A)(1), (2), OR (3) OF THIS SUBTITLE.

34 (2) IN ADDITION TO ANY OTHER REPORT REQUIRED UNDER THIS
35 SECTION, ~~A~~ AN INDIVIDUAL REGULATED LOBBYIST SHALL FILE, WITH THE REPORT
36 REQUIRED BY SUBSECTION (A) OF THIS SECTION, A REPORT THAT DISCLOSES ANY

1 BUSINESS TRANSACTION OR SERIES OF BUSINESS TRANSACTIONS THAT THE
2 INDIVIDUAL REGULATED LOBBYIST HAD WITH AN INDIVIDUAL OR BUSINESS ENTITY
3 LISTED IN PARAGRAPH ~~(2)~~ (3) OF THIS SUBSECTION THAT:

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

7 (II) OCCURRED IN THE PREVIOUS ~~42~~ 6 MONTHS.

8 ~~(2)~~ (3) ~~A~~ AN INDIVIDUAL REGULATED LOBBYIST IS SUBJECT TO THE
9 REPORTING REQUIREMENTS OF THIS SECTION IF THE INDIVIDUAL REGULATED
10 LOBBYIST ENGAGES IN A BUSINESS TRANSACTION WITH:

11 (I) A MEMBER OF THE GENERAL ASSEMBLY;

12 (II) THE GOVERNOR;

13 (III) THE LIEUTENANT GOVERNOR;

14 (IV) THE ATTORNEY GENERAL;

15 (V) THE SECRETARY OF STATE;

16 (VI) THE COMPTROLLER OF THE TREASURY;

17 (VII) THE STATE TREASURER;

18 (VIII) THE SECRETARY OF ANY PRINCIPAL STATE DEPARTMENT;

19 (IX) THE SPOUSE OF AN INDIVIDUAL LISTED IN ITEMS (I) THROUGH
20 (VIII) OF THIS PARAGRAPH;

21 (X) A BUSINESS ENTITY IN WHICH AN INDIVIDUAL LISTED IN
22 ITEMS (I) THROUGH (IX) OF THIS PARAGRAPH PARTICIPATES AS A PROPRIETOR OR
23 PARTNER; OR

24 (XI) A BUSINESS ENTITY WHERE AN INDIVIDUAL LISTED IN ITEMS
25 (I) THROUGH (IX) OF THIS PARAGRAPH HAS AN OWNERSHIP INTEREST OF AT LEAST
26 30% IN THE ENTITY.

27 ~~(3)~~ (4) THE DISCLOSURE REQUIRED UNDER THIS SUBSECTION SHALL
28 INCLUDE:

29 (I) THE DATE OF THE BUSINESS TRANSACTION OR DATES OF EACH
30 OF THE SERIES OF TRANSACTIONS;

31 (II) THE NAME AND TITLE OF THE OFFICIAL LISTED IN PARAGRAPH
32 (2) OF THIS SUBSECTION WHO WAS INVOLVED IN EACH BUSINESS TRANSACTION OR
33 SERIES OF TRANSACTIONS; AND

1 (III) THE NATURE AND VALUE OF ANYTHING EXCHANGED.

2 [(f)] (G) The Ethics Commission may require a regulated lobbyist to file any
3 additional report the Ethics Commission determines to be necessary.

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