

**Department of Legislative Services**  
Maryland General Assembly  
2009 Session

**FISCAL AND POLICY NOTE**

Senate Bill 641 (Senators Kittleman and Brochin)  
Education, Health, and Environmental Affairs

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**Ethics Reports - Meals or Receptions - Requirements**

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This bill allows an official of the Legislative Branch to receive and consume food and beverages at a meal or reception provided by a donor or other sponsoring entity only if all members of the General Assembly are invited to the event. It also makes changes to financial disclosure and reporting rules governing gifts of food and beverages that apply to lobbyists and officials of the Legislative Branch.

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**Fiscal Summary**

**State Effect:** None. The State Ethics Commission and Department of Legislative Services (DLS) can handle the bill's requirements with existing resources.

**Local Effect:** None.

**Small Business Effect:** Potential minimal for small businesses that employ regulated lobbyists.

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**Analysis**

**Bill Summary:** Food and beverages received or consumed by an official of the Legislative Branch (henceforth "official") in the presence of a donor or sponsoring entity as part of a meal or reception must be reported on annual financial disclosure forms unless all members of the General Assembly are invited to the event.

A regulated lobbyist must include in his or her annual expenditure report to the State Ethics Commission the total expenditures for food, beverages, and incidental expenses at meals or receptions to which all members of the General Assembly are invited. At least

five days prior to a meal or reception to which all members of the General Assembly are invited, a regulated lobbyist must extend a written invitation to all members of the General Assembly and register the event with the Department of Legislative Services (DLS).

### **Current Law:**

*Definitions:* An official includes any member and member-elect of the General Assembly and any individual in the Legislative Branch who:

- receives compensation at a rate equivalent to at least State grade level 16; and
- is designated as a public official by the presiding officers.

The presiding officers have designated all professional staff in the Legislative Branch as public officials.

A legislative unit is defined as:

- the entire General Assembly;
- either house of the General Assembly;
- a standing committee of the General Assembly; or
- a county or regional delegation of members of the General Assembly.

*Food and Beverages:* In general, an official may not receive and consume food or beverages provided by a regulated lobbyist or from an entity with an interest before the General Assembly. However, an official may receive and consume food or beverages that are received and consumed in the presence of the donor or sponsoring entity as part of a meal or reception to which all members of a legislative unit are invited. In addition, a member of the General Assembly may receive and consume food or beverages if:

- the General Assembly is not in session, the donor or sponsoring entity is not a lobbyist and is located in a county that contains the member's district, and the event occurs in a county that contains the member's district; or
- the food and beverages are received during a meeting of a legislative organization for which the presiding officer has approved the member's attendance at State expense.

*Disclosures:* An official must disclose on a mandated annual financial disclosure statement each gift worth more than \$20 and each of two or more gifts from a single

entity worth more than \$100 received from a regulated lobbyist, an entity regulated by the State, or an entity doing business with the State. However, in addition to other exceptions, the official does not need to disclose as a gift any food or beverages received and consumed in the presence of a donor or sponsoring entity as part of a meal or reception to which all members of a legislative unit are invited.

A regulated lobbyist must file annual reports with the State Ethics Commission that include total expenditures in connection with influencing executive or legislative action, including expenditures for food, beverages, and incidental expenses for meals and receptions to which all members of a legislative unit are invited. At least five days prior to a meal or reception to which all members of a legislative unit are invited, a regulated lobbyist must extend a written invitation to all members of the unit and register the event with DLS. Within three days of receiving the registration report from a lobbyist, DLS must forward the report to the State Ethics Commission. Within 14 days after the event, the lobbyist must report the total cost of the reception to the commission. If the lobbyist reports all required information about the event, including its cost, he or she does not need to include the cost of the meal or reception in the annual expenditure report to the commission.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** State Ethics Commission, Department of Legislative Services

**Fiscal Note History:** First Reader - March 13, 2009  
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