

## HOUSE BILL No. 1326

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DIGEST OF HB 1326 (Updated February 2, 1998 4:22 pm - DI 75)

**Citations Affected:** IC 2-2.1; IC 2-7; IC 3-9; IC 3-14; IC 4-2; IC 4-30; IC 4-31; IC 4-33; IC 5-21; IC 6-8.1; noncode.

**Synopsis:** Legislative ethics. Requires a legislative statement of economic interest to be filed before January 15 of each year. Requires a legislative statement of economic interest to report the following information: (1) The names and nature of business of each employer of the reporting individual and the individual's spouse. (2) The name and nature of each business enterprise in which the reporting individual or the reporting individual's spouse has an interest of at least \$10,000. (3) The name of any person or entity on whose behalf the reporting individual has appeared before, contacted, or transacted business with any state agency; the name of the state agency; the nature of the appearance, contact, or transaction; and any cause number. Requires a legislative statement of economic interest to be kept for five years after the year for which the statement was filed. Requires the Indiana lobby registration commission to provide a list of lobbyists to legislators  
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**Effective:** June 30, 1998; July 1, 1998; January 1, 1999.

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**Gregg, Foley, Keeler, Kruzan**

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January 13, 1998, read first time and referred to Committee on Rules and Legislative Procedures.  
January 28, 1998, amended, reported — Do Pass.  
February 2, 1998, read second time, amended, ordered engrossed.

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HB 1326—LS 6445/DI 75



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before December 1 of each year. (Current law requires the list to be provided before July 1 of each year.) Requires the clerk of the house of representatives and the secretary of the senate to prescribe the form of the statement of financial interests for their respective houses. Provides that a legislative ethics committee may issue advisory opinions at the request of a member of the house for which the committee is established. Provides that the substance of the request and any opinion rendered is public information. Changes the term of office of members of the lobby registration commission from four years to two years. Staggers the terms of commission members. Provides that during a member's term of office, a commission member may not solicit or accept political contributions for candidates for election to the general assembly. Requires that a commission member must file a statement of the member's economic interests. Increases the annual registration fee for lobbyists who are not nonprofit organizations from \$100 to \$250. Provides that lobbyists must file activity reports quarterly rather than semiannually. Increases the penalty for a lobbyist filing a late registration statement or activity report from \$10 per day to \$25 per day. Increases the cap on the late fee from \$100 to \$1,000. Requires lobbyists to report gifts given to legislators and candidates for legislative office. Reduces the threshold at which lobbyists must report annual aggregate gifts or expenditures from \$500 to \$250. Requires a lobbyist to provide certain itemized information about each reportable expenditure or gift. Specifies that an expenditure made in the ordinary course of a legislative member's business or a legislative member's spouse's business is not required to be included in the itemized information provided by a lobbyist. Requires records supporting lobbyist reports to be maintained for five years rather than four years. Provides that from organization day through sine die adjournment of a long session of the general assembly, members of the general assembly, candidate committees, and legislative caucus committees may not solicit or accept campaign contributions or conduct other fundraising activities. (Under current law, candidates for election to the general assembly are also prohibited from soliciting and accepting campaign contributions and from conducting fundraising activities. Under current law, the prohibited period for fundraising begins on the first session day in January.) Provides that lobbyists may not make campaign contributions or conduct other fundraising activities during the long session. Provides that a member of the general assembly who violates this provision is subject to a civil penalty of \$500 plus the amount of any contributions accepted by the member. Provides that a lobbyist who violates the prohibition is subject to a civil penalty of \$500. (Under current law, there is a mandatory penalty of the greater of twice the amount of the contribution or \$1,000. Under current law, the prohibition does not extend to lobbyists.) Provides that a budget bill is not eligible for third reading in the house of representatives until a copy of the text of the entire bill, as proposed to be enacted, has been made available to each member of the house for at least 24 hours. Provides that a conference committee report for a budget bill is not eligible for adoption in the house of representatives until a copy of the text of the entire bill, as the conference committee report proposes the bill to be enacted, has been made available to each member of the house of representatives for at least 24 hours. Provides that a budget bill enacted in violation of these requirements is void. Removes the cap on civil penalties imposed for delinquent campaign finance reports. Provides that civil penalties under the campaign finance law may be collected as a debt from tax refunds owed to the person assessed the penalties. Provides that certain contractors with the state lottery commission and certain persons who have an interest in pari-mutuel wagering or riverboat gaming may not make political contributions to

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candidates (other than candidates for federal office) or to political committees. Provides that a violation is a Class D felony. Requires the clerk of the house, the secretary of the senate, the election division of the secretary of state's office, the lobby registration commission, and the state ethics commission to create searchable data bases containing all campaign finance reports or government ethics reports that are filed with any of the agencies. Requires these agencies to make the reports available to the intelenet commission for access on the Internet. Establishes the government ethics information fund consisting of certain lobby registration fees and civil penalties assessed by the lobby registration commission, the state ethics commission, and the Indiana election commission (for certain campaign finance violations). Appropriates the money in the fund to support development and maintenance of the information data bases. Repeals superseded statutes.

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Reprinted  
February 3, 1998

Second Regular Session 110th General Assembly (1998)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1997 General Assembly.

## HOUSE BILL No. 1326

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A BILL FOR AN ACT to amend the Indiana Code concerning the general assembly and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1           SECTION 1. IC 2-2.1-1-14 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 1998]: **Sec. 14. (a) As used in this section, "budget bill" has the**  
4 **meaning set forth in IC 4-12-1-2.**  
5           **(b) A budget bill is not eligible for third reading in the house**  
6 **of representatives until a copy of the text of the entire bill, as**  
7 **proposed to be enacted, has been made available to each member**  
8 **of the house of representatives for at least twenty-four (24) hours.**  
9           **(c) A conference committee report for a budget bill is not**  
10 **eligible for adoption in the house of representatives until a copy of**  
11 **the text of the entire bill, as the conference committee report**  
12 **proposes the bill to be enacted, has been made available to each**  
13 **member of the house of representatives for at least twenty-four**  
14 **(24) hours.**  
15           **(d) A budget bill enacted in violation of this section is void.**

HB 1326—LS 6445/DI 75



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1 SECTION 2. IC 2-2.1-3-1 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 1. As used in this  
 3 chapter, and unless the context clearly denotes otherwise:

4 (a) "Close relative" means a person related to the person filing the  
 5 statement or to his spouse as a son, daughter, grandson, granddaughter,  
 6 great-grandson, great-granddaughter, father, mother, grandfather,  
 7 grandmother, great-grandfather, great-grandmother, brother, sister,  
 8 nephew, niece, uncle, or aunt. Relatives by adoption, half-blood,  
 9 marriage, or remarriage shall be treated as relatives of whole kinship.

10 (b) (1) "Committee" means the house legislative ethics  
 11 committee, or the senate legislative ethics committee, or both of  
 12 them.

13 (c) (2) "Compensation" means any money, thing of value, or  
 14 economic benefit conferred on, or received by, any person in  
 15 return for services rendered, or for services to be rendered,  
 16 whether by that person or another.

17 (d) "Contribution" means any advance, conveyance, deposit,  
 18 distribution, transfer of funds, loan, payment, gift, pledge, or  
 19 subscription of money or anything of value, and any contract,  
 20 agreement, promise, or other obligation, whether or not legally  
 21 enforceable, to make a contribution in support of any candidate for the  
 22 house of representatives or senate. The term "contribution" does not  
 23 include services by speakers, writers, publishers, or others for which no  
 24 compensation is asked or given.

25 (e) (3) "Employer" means any person or entity from whom the  
 26 member of or candidate for the general assembly or his spouse  
 27 received more than thirty-three percent (33%) of his  
 28 nonlegislative income.

29 (f) "Family business" means a corporation in which the member  
 30 of or candidate for the general assembly and his spouse own at least  
 31 eighty percent (80%) of the voting stock, regardless of whether all or  
 32 a portion is owned jointly or severally.

33 (g) (4) "House" means the Indiana house of representatives.

34 (h) (5) "Information of a confidential nature" means information  
 35 obtained by reason of the position or office held and which  
 36 information has not been, or will not be, communicated to the  
 37 general public.

38 (i) (6) "Legislative matter" means any bill, resolution, or other  
 39 issue or proposal presented in, or considered by, the house or  
 40 senate or any committee or subcommittee thereof.

41 (j) "Lobbyist" means any person, firm, corporation, limited  
 42 liability company, or association registered under IC 2-7-2.

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1           ~~(k)~~ (7) "Person or entity" means any individual, proprietorship,  
2           limited liability company, partnership, unincorporated  
3           association, trust, business trust, group, or corporation, whether  
4           or not operated for profit, or a governmental agency or political  
5           subdivision.

6           ~~(j)~~ (8) "Senate" means the Indiana senate.

7           ~~(m)~~ (9) "State agency" means any department, commission,  
8           council, board, bureau, division, service, office, officer,  
9           administration, or other establishment in the executive or  
10          administrative branch of state government. The term "state  
11          agency" does not include state supported colleges or universities  
12          or the agencies of any municipality or political subdivision of the  
13          state.

14          ~~(n)~~ The masculine gender includes the masculine and feminine.

15          ~~(o)~~ The singular form of any noun includes the plural wherever  
16          appropriate.

17          SECTION 3. IC 2-2.1-3-2, AS AMENDED BY P.L.3-1997,  
18          SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
19          JULY 1, 1998]: Sec. 2. (a) Not later than ~~seven (7)~~ calendar days  
20          following the first session day in January 15 of each year every member  
21          of the general assembly shall file with the principal clerk of the house  
22          or secretary of the senate, respectively, a written statement of the  
23          member's or candidate's economic interests for the preceding calendar  
24          year listing the following:

25                (1) The following information about the reporting  
26                individual's sources of compensation and the sources of  
27                compensation of the reporting individual's spouse:

28                    (A) The name of the member's or candidate's employer and  
29                    the employer of the member's or candidate's spouse. ~~and~~

30                    (B) The nature of the employer's business.

31           The house of representatives and senate need not be listed as ~~an~~  
32           employer a source of compensation.

33                (2) The following information regarding the business  
34                interests of the reporting individual and the reporting  
35                individual's spouse:

36                    (A) The name of any sole proprietorship, owned or  
37                    professional practice operated by the member or candidate  
38                    or the member's or candidate's spouse and each person or  
39                    entity in which the reporting individual or the reporting  
40                    individual's spouse has an interest with a value of at  
41                    least ten thousand dollars (\$10,000).

42                    (B) The nature of the business: each person or entity

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- 1                   **disclosed under clause (A).**
- 2                   (3) The name of any partnership of which the member or
- 3                   candidate or the member's or candidate's spouse is a member and
- 4                   the nature of the partnership's business:
- 5                   (4) The name of any corporation of which the member or
- 6                   candidate or the member's or candidate's spouse is an officer or
- 7                   director and the nature of the corporation's business. Churches
- 8                   need not be listed.
- 9                   (5) The name of any corporation in which the member or
- 10                  candidate or the member's or candidate's spouse or
- 11                  unemancipated children own stock or stock options having a fair
- 12                  market value in excess of ten thousand dollars (\$10,000). No
- 13                  time or demand deposit in a financial institution or insurance
- 14                  policy need be listed.
- 15                  (6) The name of any state agency or the supreme court of Indiana
- 16                  which licenses or regulates the following:
- 17                         (A) The member's or candidate's or the member's or
- 18                         candidate's spouse's profession or occupation:
- 19                         (B) Any proprietorship, partnership, corporation, or limited
- 20                         liability company listed under subdivision (2); (3); or (4)
- 21                         and the nature of the licensure or regulation:
- 22                  The requirement to file certain reports with the secretary of state
- 23                  or to register with the department of state revenue as a retail
- 24                  merchant, manufacturer, or wholesaler shall not be considered
- 25                  as licensure or regulation:
- 26                  (7) The name of any person whom the member or candidate
- 27                  knows to have been a lobbyist in the previous calendar year and
- 28                  knows to have purchased any of the following:
- 29                         (A) From the member or candidate; the member's or
- 30                         candidate's sole proprietorship; or the member's or
- 31                         candidate's family business; goods or services for which the
- 32                         lobbyist paid in excess of one hundred dollars (\$100).
- 33                         (B) From the member's or candidate's partner; goods or
- 34                         services for which the lobbyist paid in excess of one
- 35                         thousand dollars (\$1,000).
- 36                  (8) The name of any person or entity from whom the member or
- 37                  candidate received the following:
- 38                         (A) Any gift of cash from a lobbyist.
- 39                         (B) Any single gift other than cash having a fair market
- 40                         value in excess of one hundred dollars (\$100).
- 41                  However, a contribution made by a lobbyist to a charitable
- 42                  organization (as defined in Section 501(c) of the Internal

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1 Revenue Code) in connection with a social or sports event  
 2 attended by legislators need not be listed by a member of the  
 3 general assembly unless the contribution is made in the name of  
 4 the legislator:

5 (C) Any gifts other than cash having a fair market value in  
 6 the aggregate in excess of two hundred fifty dollars (\$250).  
 7 Campaign contributions need not be listed. Gifts from a  
 8 spouse or close relative need not be listed unless the donor  
 9 has a substantial economic interest in a legislative matter.

10 (9) The name of any lobbyist who is:

11 (A) a member of a partnership or limited liability company;  
 12 (B) an officer or a director of a corporation; or  
 13 (C) a manager of a limited liability company;

14 of which the member of or candidate for the general assembly is  
 15 a partner, an officer, a director, a member, or an employee, and  
 16 a description of the legislative matters which are the object of  
 17 the lobbyist's activity:

18 (10) (3) The name of any person or entity on whose behalf the  
 19 member or candidate has appeared before, contacted, or  
 20 transacted business with any state agency or official thereof, the  
 21 name of the state agency, the nature of the appearance, contact,  
 22 or transaction, and the cause number, if any. This requirement  
 23 does not apply when the services are rendered without  
 24 compensation.

25 (11) The name of any limited liability company of which the  
 26 member of the general assembly, the candidate, or the member's  
 27 or candidate's individual spouse has an interest:

28 (b) Before any person, who is not a member of the general  
 29 assembly files the person's declaration of candidacy, declaration of  
 30 intent to be a write-in candidate, or petition of nomination for office or  
 31 is selected as a candidate for the office under IC 3-13-1 or IC 3-13-2,  
 32 the person shall file with the clerk of the house or secretary of the  
 33 senate, respectively, the same written statement of economic interests  
 34 for the preceding calendar year that this section requires members of  
 35 the general assembly to file.

36 (c) Any member of or candidate for the general assembly may file  
 37 an amended statement upon discovery of additional information  
 38 required to be reported.

39 SECTION 4. IC 2-2.1-3-4, AS AMENDED BY P.L.4-1995,  
 40 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 41 JULY 1, 1998]: Sec. 4. (a) **The principal clerk of the house and the**  
 42 **secretary of the senate shall prescribe and provide the form of the**

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1 **statement of economic interest for the house and the senate**  
 2 **respectively.**

3 (b) The statements of economic interest required by section 2 of  
 4 this chapter shall be filed on forms provided by the principal clerk of  
 5 the house or secretary of the senate, as the case may be. Statements  
 6 shall be kept by the principal clerk and the secretary of the senate for  
 7 ~~one (1) year~~ **five (5) years** after ~~the expiration of the term during the~~  
 8 **year for** which they were filed. Any statement filed by a member of or  
 9 candidate for the general assembly shall be open to public inspection  
 10 and copies shall be made available to any person for a reasonable fee.

11 ~~(b)~~ (c) Before ~~July~~ **December 1** of each year, the Indiana lobby  
 12 registration commission shall furnish to the clerk of the house and  
 13 secretary of the senate a complete list of the lobbyists registered ~~for at~~  
 14 **any time during** the previous twelve (12) month period. Copies of the  
 15 list shall be available to members of and candidates for the general  
 16 assembly and shall be distributed by the clerk of the house and  
 17 secretary of the senate with the forms for statements of economic  
 18 interest.

19 SECTION 5. IC 2-2.1-3-7 IS AMENDED TO READ AS  
 20 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 7. (a) In addition to the  
 21 responsibility to devise a code of ethics, each legislative ethics  
 22 committee **may do any of the following:**

23 (1) ~~may~~ Receive and hear any complaint which alleges a breach  
 24 of any privilege of the appropriate house, misconduct of any  
 25 member or any violation of the respective code of ethics,  
 26 regardless of when the breach, misconduct, or violation is  
 27 alleged to have occurred.

28 (2) ~~may~~ Obtain information with respect to any complaint filed  
 29 pursuant to this section and to that end may compel the  
 30 attendance and testimony of witnesses, and the production of  
 31 pertinent books and papers.

32 (3) ~~may~~ Recommend whatever sanction is appropriate with  
 33 respect to a particular member as will best maintain in the minds  
 34 of the public a good opinion of the conduct and character of  
 35 members of the general assembly.

36 (4) ~~may~~ Recommend legislation to the general assembly relating  
 37 to the conduct and ethics of members of the general assembly.

38 (5) **Issue advisory opinions at the request of a member of the**  
 39 **house for which the committee is established. The substance**  
 40 **of a request for an opinion and any opinion rendered on the**  
 41 **request are public information. A member may request that**  
 42 **the member's identity not be disclosed when the information**

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1 **relating to the request is disclosed.**

2 **(b) Each legislative ethics committee** shall act as an advisory  
3 body to the general assembly and to individual members of the  
4 appropriate house on questions relating to possible conflicts of interest.  
5 **and**

6 ~~(6)~~ **(c) Each legislative ethics committee** shall conduct its  
7 investigations in the following manner:

8 ~~(A)~~ **(1)** When a complaint is filed with the committee, a copy  
9 shall promptly be sent to the person alleged to have committed  
10 the violation. If the committee determines the complaint does not  
11 allege facts sufficient to constitute a code or statutory violation,  
12 the complaint shall be dismissed and the complainant and  
13 respondent notified. If the committee determines the complaint  
14 does allege facts sufficient to constitute a code or statutory  
15 violation, it shall promptly investigate the alleged violation. If,  
16 after such preliminary investigation the committee finds that  
17 probable cause does not exist to support an alleged violation, the  
18 allegation shall be dismissed. If the committee finds that  
19 probable cause exists to support an alleged violation, it shall  
20 convene a hearing on the matter within thirty (30) days after  
21 making such determination. The committee may meet in  
22 executive session to conduct a preliminary investigation and to  
23 determine whether probable cause exists to support an alleged  
24 violation. All committee investigations and records relating to  
25 the preliminary investigation shall be confidential.

26 ~~(B)~~ **(2)** If a hearing is to be held, the respondent shall be allowed  
27 to examine and make copies of all evidence in the committee's  
28 possession relating to the charges. At the hearing, the charged  
29 party shall be afforded appropriate due process protection  
30 consistent with state administrative procedures, including the  
31 right to be represented by counsel, the right to call and examine  
32 witnesses, the right to introduce exhibits, and the right to  
33 cross-examine opposing witnesses.

34 ~~(C)~~ **(3)** After the hearing, the committee shall state its findings  
35 of fact. If the committee, based on competent and substantial  
36 evidence, finds the respondent has violated a code or statutory  
37 provision, it shall state its findings in writing in a report to the  
38 speaker of the house or president pro tempore of the senate, as  
39 appropriate. Such report shall be supported and signed by a  
40 majority of the committee members. If the committee finds the  
41 respondent has not violated a code or statutory provision, it shall  
42 dismiss the charges.

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1           ~~⊕~~ (4) No committee member shall participate in any matter in  
2           which ~~he~~ **the committee member** is involved.

3           SECTION 6. IC 2-7-1.6-3 IS AMENDED TO READ AS  
4           FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 3. (a) Each member of  
5           the commission serves for a term of ~~four (4)~~ **two (2)** years, beginning  
6           January 1.

7           (b) Members of the commission may be reappointed to successive  
8           terms.

9           (c) The appropriate appointing authority shall fill a vacancy on the  
10          commission for the duration of the unexpired term.

11          SECTION 7. IC 2-7-1.6-10 IS ADDED TO THE INDIANA CODE  
12          AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
13          1, 1998]: **Sec. 10. (a) As used in this section, "contribution" has the  
14          meaning set forth in IC 3-5-2-15.**

15          **(b) A commission member may neither solicit nor make a  
16          contribution to a candidate for election to the general assembly  
17          during the member's term of office.**

18          SECTION 8. IC 2-7-1.6-11 IS ADDED TO THE INDIANA CODE  
19          AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
20          1, 1998]: **Sec. 11. Before January 15 of each year, an individual  
21          who was a commission member during the previous calendar year  
22          shall file a statement of the member's economic interests. The  
23          member's statement of economic interests must include the name  
24          and nature of the business of any business or passive investment in  
25          which the member or the member's spouse has an ownership  
26          interest or serves as an officer, director, partner, or similar  
27          capacity with any person who is either:**

28                  **(1) a member of the general assembly; or**

29                  **(2) a registered lobbyist.**

30          SECTION 9. IC 2-7-2-1 IS AMENDED TO READ AS FOLLOWS  
31          [EFFECTIVE JULY 1, 1998]: Sec. 1. (a) Each lobbyist shall file  
32          annually with the commission a registration statement under oath  
33          accompanied by the registration fee required by this section.

34          (b) Except as provided in subsection (c), the registration fee is ~~one~~  
35          **two hundred fifty dollars (\$100). (\$250).**

36          (c) The registration fee of a lobbyist that satisfies either of the  
37          following is fifty dollars (\$50):

38                  (1) The lobbyist is a nonprofit organization exempt from federal  
39                  income taxation under Section 501(c)(3) or 501(c)(4) of the  
40                  Internal Revenue Code.

41                  (2) The lobbyist:

42                          (A) is an employee of a lobbyist described in subdivision

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1 (1); and

2 (B) performs lobbying services for the employer as part of  
3 the lobbyist's salaried responsibilities.

4 **(d) The registration fees collected under subsection (b) must be**  
5 **deposited into the government ethics information fund established**  
6 **by IC 5-21-7-6.**

7 SECTION 10. IC 2-7-2-2 IS AMENDED TO READ AS  
8 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 2. (a) Each registration  
9 statement shall be filed not later than January 15 or within fifteen (15)  
10 days after the registrant becomes a lobbyist, whichever is later. Each  
11 registration statement expires on December 31 of the year for which it  
12 was issued. The commission may accept registration statements before  
13 January 1 of the year to which they apply, as the commission  
14 determines.

15 (b) Subject to subsections (c) and (d), the commission shall  
16 impose a late registration fee of ~~ten~~ **twenty-five** dollars (~~\$10~~) (**\$25**) per  
17 day for each day after the deadline until the statement is filed.

18 (c) The late registration fee shall not exceed one ~~hundred~~  
19 **thousand** dollars (~~\$100~~). (**\$1,000**).

20 (d) The commission may waive the late registration fee if the  
21 commission determines that the circumstances make imposition of the  
22 fee inappropriate.

23 SECTION 11. IC 2-7-3-1 IS AMENDED TO READ AS  
24 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 1. Each lobbyist shall  
25 file ~~semiannually~~ **quarterly** with the commission an activity report  
26 under oath. ~~He~~ **The lobbyist** shall file a separate activity report relating  
27 to each person from whom ~~he~~ **the lobbyist** receives payment for  
28 lobbying.

29 SECTION 12. IC 2-7-3-2 IS AMENDED TO READ AS  
30 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 2. (a) ~~One~~ (~~†~~) **A**  
31 **lobbyist shall file activity reports as follows:**

32 **(1) In odd-numbered years, a lobbyist shall file an activity**  
33 **report not later than April 10, covering the period from**  
34 **January 1 through March 31.**

35 **(2) In even-numbered years, a lobbyist shall file an activity**  
36 **report not later than February 10 covering the period from**  
37 **January 1 through January 31.**

38 **(3) A lobbyist shall file an activity report** ~~shall be filed~~ not later  
39 than July ~~31~~, **10**, covering the period from ~~January~~ ~~†~~ **the last**  
40 **date of the previous report** through June 30. ~~The other~~

41 **(4) A lobbyist shall file an activity report not later than**  
42 **October 10, covering the period from July 1 through**

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**September 30.**

**(5) A lobbyist shall file an activity report shall be filed** not later than January ~~31~~, **10**, covering the period from ~~July~~ **October** 1 through December 31 of the immediately preceding calendar year.

(b) Subject to subsections (c) and (d), the commission shall impose a penalty of ~~ten~~ **twenty-five** dollars (~~\$10~~) (**\$25**) per day for each day that the person fails to file any report required by this chapter until the report is filed.

(c) The penalty shall not exceed one ~~hundred thousand~~ dollars (~~\$100~~) (**\$1,000**) per report.

(d) The commission may waive the penalty if the commission determines that the circumstances make imposition of the penalty inappropriate.

SECTION 13. IC 2-7-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 3. (a) The activity reports of each lobbyist shall include the following:

(1) A complete and current statement of the information required to be supplied under IC 2-7-2-3 and IC 2-7-2-4.

(2) Total expenditures on lobbying (prorated, if necessary) broken down to include at least the following categories:

- (A) Compensation to others who perform lobbying services.
- (B) Reimbursement to others who perform lobbying services.
- (C) Receptions.
- (D) Entertainment, including meals. However, a function to which the entire general assembly is invited is not lobbying under this article.
- (E) Gifts made to an employee of the general assembly or a member of the immediate family of an employee of the general assembly.

(3) A statement of expenditures and gifts that equal one hundred dollars (\$100) or more in one (1) day, or that together total more than ~~five two hundred fifty~~ **two hundred fifty** dollars (~~\$500~~) (**\$250**) during the calendar year, if the expenditures and gifts are made by the registrant or ~~his~~ **the registrant's** agent to benefit **any of the following:**

- (A) A member of the general assembly.
- (B) An officer of the general assembly.
- (C) ~~or~~ **A reasonably ascertainable** employee **or independent contractor** of the general assembly. ~~or~~
- (D) **A person providing goods or services to, or for the**

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- 1                   **benefit of, the members of either house of the general**  
 2                   **assembly.**  
 3                   **(E) A candidate for election to the general assembly.**  
 4                   ~~(D)~~ **(F) A member of the immediate family of anyone**  
 5                   **included in clause described in clauses (A) ~~(B)~~; or ~~(C)~~;**  
 6                   **through (E).**  
 7                   **An expenditure made in the ordinary course of the member's**  
 8                   **or the member's spouse's business is not required to be**  
 9                   **included in the statement of expenditures and gifts under this**  
 10                   **subdivision.**  
 11                   (4) Whenever a lobbyist makes an expenditure that is for the  
 12                   benefit of all of the members of the general assembly on a given  
 13                   occasion, the total amount expended shall be reported, but the  
 14                   lobbyist shall not prorate the expenditure among each member  
 15                   of the general assembly.  
 16                   (5) A list of the general subject matter of each bill or resolution  
 17                   concerning which a lobbying effort was made within the  
 18                   registration period.  
 19                   (6) ~~The name of the beneficiary of~~ **following information for**  
 20                   each expenditure or gift made by the lobbyist or ~~his~~ **the**  
 21                   **lobbyist's** agent that is required to be reported under subdivision  
 22                   (3):  
 23                   ~~(7) The name of each member of the general assembly from~~  
 24                   ~~whom the lobbyist has received an affidavit required under~~  
 25                   ~~IC 2-2.1-3-3.5:~~  
 26                   **(A) The name of the beneficiary of the expenditure or**  
 27                   **gift.**  
 28                   **(B) The date of the expenditure or gift.**  
 29                   **(C) The amount spent or the value of the gift given.**  
 30                   **(D) The purpose for the expenditure or gift.**  
 31                   **If the beneficiary of the expenditure or gift is a member of**  
 32                   **the general assembly, the lobbyist must give written notice of**  
 33                   **the expenditure or gift to the member or candidate within**  
 34                   **five (5) business days after making the expenditure or gift.**  
 35                   **The lobbyist shall provide to the member or candidate the**  
 36                   **information required to be reported under clauses (A)**  
 37                   **through (D).**  
 38                   (b) In the second semiannual ~~each~~ **quarterly** report, when total  
 39                   amounts are required to be reported, ~~a lobbyist shall state~~ **totals shall**  
 40                   **be stated** both for the period covered by the ~~statement~~ **report** and for  
 41                   the entire ~~period~~ **beginning January 1** of the reporting year.  
 42                   (c) An amount reported under this section is not required to

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- 1 include the following:
- 2 (1) Overhead costs.
- 3 (2) Charges for any of the following:
- 4 (A) Postage.
- 5 (B) Express mail service.
- 6 (C) Stationery.
- 7 (D) Facsimile transmissions.
- 8 (E) Telephone calls.
- 9 (3) Expenditures for the personal services of clerical and other
- 10 support staff persons who are not lobbyists.
- 11 (4) Expenditures for leasing or renting an office.
- 12 (5) Expenditures for lodging, meals, and other personal expenses
- 13 of the lobbyist.

14 SECTION 14. IC 2-7-3-4 IS AMENDED TO READ AS

15 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 4. Each lobbyist shall

16 obtain and preserve all documents necessary to substantiate the activity

17 reports required under this chapter for ~~four (4)~~ **five (5)** years from the

18 date of filing of the report containing these items. The lobbyist shall

19 make these materials available for inspection upon request by the

20 commission.

21 SECTION 15. IC 2-7-4-8 IS AMENDED TO READ AS

22 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 8. The commission

23 shall preserve statements and reports filed with the commission under

24 this article for a period of ~~four (4)~~ **five (5)** years from the date of

25 receipt.

26 SECTION 16. IC 2-7-6-7 IS ADDED TO THE INDIANA CODE

27 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY

28 1, 1998]: **Sec. 7. Civil penalties collected under this chapter must be**

29 **deposited in the government ethics information fund established by**

30 **IC 5-21-7-6.**

31 SECTION 17. IC 3-9-2-12, AS ADDED BY P.L.3-1997,

32 SECTION 180, IS AMENDED TO READ AS FOLLOWS

33 [EFFECTIVE JANUARY 1, 1999]: Sec. 12. (a) This section does not

34 apply to:

- 35 (1) a member of the general assembly; or
- 36 (2) a candidate's committee of a member of the general
- 37 assembly;

38 with respect to an office other than a legislative office to which the

39 member seeks election.

40 (b) ~~As used in this section, "affected person" refers to any of the~~

41 ~~following:~~

- 42 (1) ~~An individual who holds a legislative office.~~

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- 1           ~~(2) A candidate for a legislative office.~~
- 2           ~~(c)~~ **(b)** As used in this section, "prohibited period" means the
- 3 period:
- 4           (1) beginning on the day in ~~January~~ **November** in each
- 5 ~~odd-numbered~~ **even-numbered** year the general assembly
- 6 ~~reconvenes~~ **convenes** under IC 2-2.1-1-2; and
- 7           (2) ~~through~~ **ending on** the day **after** the general assembly
- 8 adjourns sine die in an odd-numbered year under IC 2-2.1-1-2.
- 9           ~~(d)~~ **(c)** During the prohibited period, ~~an affected person, an~~
- 10 ~~affected person's~~ **a member of the general assembly, the member's**
- 11 ~~candidate's committee, and a legislative caucus committee may not do~~
- 12 ~~any of the following:~~
- 13           (1) Solicit campaign contributions.
- 14           (2) Accept campaign contributions.
- 15           (3) Conduct other fundraising activities. This subdivision does
- 16 not prohibit an affected person from participating in party
- 17 activities conducted by a regular party committee.
- 18           **(d) During the prohibited period, a lobbyist (as defined in**
- 19 **IC 2-7-1-10) may not do any of the following on behalf of a member**
- 20 **of the general assembly, a candidate for a legislative office, or a**
- 21 **candidate's committee of a member or a candidate:**
- 22           **(1) Make campaign contributions.**
- 23           **(2) Conduct other fundraising activities.**
- 24           SECTION 18. IC 3-9-4-16, AS AMENDED BY P.L.3-1997,
- 25 SECTION 196, IS AMENDED TO READ AS FOLLOWS
- 26 [EFFECTIVE JANUARY 1, 1999]: Sec. 16. (a) In addition to any other
- 27 penalty imposed, a person who does any of the following is subject to
- 28 a civil penalty under this section:
- 29           (1) Fails to file with the election division a report in the manner
- 30 required under IC 3-9-5.
- 31           (2) Fails to file a statement of organization required under
- 32 IC 3-9-1.
- 33           (3) Is a committee or a member of a committee who disburses or
- 34 expends money or other property for any political purpose before
- 35 the money or other property has passed through the hands of the
- 36 treasurer of the committee.
- 37           (4) Makes a contribution other than to a committee subject to
- 38 this article or to a person authorized by law or a committee to
- 39 receive contributions on the committee's behalf.
- 40           (5) Is a corporation or labor organization that exceeds any of the
- 41 limitations on contributions prescribed by IC 3-9-2-4.
- 42           (6) Makes a contribution in the name of another person.

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- 1 (7) Accepts a contribution made by one (1) person in the name
- 2 of another person.
- 3 (8) Is not the treasurer of a committee subject to this article, and
- 4 pays any expenses of an election or a caucus except as
- 5 authorized by this article.
- 6 (9) Commingles the funds of a committee with the personal
- 7 funds of an officer, a member, or an associate of the committee.
- 8 (10) Wrongfully uses campaign contributions in violation of
- 9 IC 3-9-3-4.
- 10 (11) Violates IC 3-9-2-12.
- 11 (b) This subsection applies to a person who is subject to a civil
- 12 penalty under subsection (a)(1) or (a)(2) for filing a defective report or
- 13 statement. If the commission determines that a person failed to file the
- 14 amended report or statement of organization not later than noon five (5)
- 15 days after being given notice under section 14 of this chapter, the
- 16 commission may assess a civil penalty. The penalty is ten dollars (\$10)
- 17 for each day the report is late after the expiration of the five (5) day
- 18 period, not to exceed one hundred dollars (\$100) plus any investigative
- 19 costs incurred and documented by the election division. The civil
- 20 penalty limit under this subsection applies to each report separately.
- 21 (c) This subsection applies to a person who is subject to a civil
- 22 penalty under subsection (a)(1) or (a)(2) for a delinquent report or
- 23 statement. If the commission determines that a person failed to file the
- 24 report or statement of organization by the deadline prescribed under
- 25 this article, the commission shall assess a civil penalty. The penalty is
- 26 fifty dollars (\$50) for each day the report or statement is late, **with plus**
- 27 **any investigative costs incurred and documented by the election**
- 28 **division.** The afternoon of the final date for filing the report or
- 29 statement **being calculated as is considered** the first day. **The civil**
- 30 **penalty under this subsection may not exceed one thousand dollars**
- 31 **(\$1,000) plus any investigative costs incurred and documented by the**
- 32 **election division. The civil penalty limit under this subsection applies**
- 33 **to each report separately.**
- 34 (d) This subsection applies to a person who is subject to a civil
- 35 penalty under subsection (a)(3), (a)(4), (a)(6), (a)(7), (a)(8), (a)(9), or
- 36 (a)(10). If the commission determines that a person is subject to a civil
- 37 penalty under subsection (a), the commission may assess a civil penalty
- 38 of not more than one thousand dollars (\$1,000), plus any investigative
- 39 costs incurred and documented by the election division.
- 40 (e) This subsection applies to a person who is subject to a civil
- 41 penalty under subsection (a)(5). If the commission determines that a
- 42 person is subject to a civil penalty under subsection (a)(5), the

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1 commission may assess a civil penalty of not more than three (3) times  
 2 the amount of the contribution in excess of the limit prescribed by  
 3 IC 3-9-2-4, plus any investigative costs incurred and documented by  
 4 the election division.

5 (f) This subsection applies to a person who is subject to a civil  
 6 penalty under subsection (a)(11). If the commission determines that a  
 7 ~~candidate or the candidate's committee person~~ **person** has violated  
 8 IC 3-9-2-12, the commission ~~shall~~ **may** assess **a the following** civil  
 9 penalty ~~equal to the greater of the following;~~ plus any investigative  
 10 costs incurred and documented by the election division:

11 (1) ~~Two (2) times the amount of any contributions received;~~ **If**  
 12 **the person is a member of the general assembly or a**  
 13 **candidate for a legislative office, a civil penalty of five**  
 14 **hundred dollars (\$500) plus the amount of any contributions**  
 15 **received by the person.**

16 (2) ~~One thousand dollars (\$1,000);~~ **If the person is not**  
 17 **described in subdivision (1), a civil penalty of five hundred**  
 18 **dollars (\$500).**

19 (g) All civil penalties collected under this section shall be  
 20 deposited with the treasurer of state in the **following**:

21 (1) **Civil penalties imposed for violations of subsection (a)(1),**  
 22 **(a)(2), (a)(11), or (a)(12) in the government ethics**  
 23 **information fund established by IC 5-21-7-6.**

24 (2) **Civil penalties other than civil penalties described in**  
 25 **subdivision (1) in the campaign finance enforcement account.**

26 (h) Proceedings of the commission under this section are subject  
 27 to IC 4-21.5.

28 SECTION 19. IC 3-9-4-18, AS AMENDED BY P.L.3-1997,  
 29 SECTION 198, IS AMENDED TO READ AS FOLLOWS  
 30 [EFFECTIVE JANUARY 1, 1999]: Sec. 18. (a) ~~As used in this section;~~  
 31 ~~"delinquent report" refers to a campaign finance report:~~

32 (1) ~~that was required to be filed under IC 3-9-5 but was not filed~~  
 33 ~~in the manner required under IC 3-9-5; and~~

34 (2) ~~for which a person was assessed a civil penalty under section~~  
 35 ~~16 or 17 of this chapter.~~

36 (b) (a) As used in this section, "election board" refers to the  
 37 following:

38 (1) The commission if a civil penalty was assessed under section  
 39 16 of this chapter.

40 (2) The county election board if a civil penalty was assessed  
 41 under section 17 of this chapter.

42 (c) ~~As used in this section;~~ "person" refers to a person who:

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1           (1) has been assessed a civil penalty under section 16 or 17 of  
 2           this chapter; and  
 3           (2) has filed a declaration of candidacy; a petition of nomination;  
 4           or a declaration of intent to be a write-in candidate in a  
 5           subsequent election or for whom a certificate of nomination has  
 6           been filed.  
 7           (d) A person who does both of the following is relieved from  
 8           further civil liability under this chapter for the delinquent report:  
 9           (1) Files the delinquent report from the previous candidacy:  
 10           (A) before filing a report required under IC 3-9-5-6; or  
 11           (B) at the same time the person files the report required  
 12           under IC 3-9-5-6;  
 13           for a subsequent candidacy.  
 14           (2) Pays all civil penalties assessed under section 16 or 17 of this  
 15           chapter for the delinquent report.  
 16           **(b) This subsection applies to a person who is assessed a civil**  
 17           **penalty under this chapter. The election board may collect the civil**  
 18           **penalty from the person as a debt under IC 6-8.1-9.5.**  
 19           (e) (c) This subsection applies to a person who:  
 20           (1) is assessed a civil penalty under this chapter; and  
 21           (2) is elected to office in the subsequent election.  
 22           The election board may order the auditor of state or the fiscal officer of  
 23           the political subdivision responsible for issuing the person's payment  
 24           for serving in office to withhold from the person's paycheck the amount  
 25           of the civil penalty assessed under this chapter. If the amount of the  
 26           paycheck is less than the amount of the civil penalty, the auditor shall  
 27           continue withholding money from the person's paycheck until an  
 28           amount equal to the amount of the civil penalty has been withheld.  
 29           (f) (d) The auditor of state or fiscal officer shall deposit an amount  
 30           **paid, recovered, or withheld** under this section in the election board's  
 31           campaign finance enforcement account.  
 32           (g) (e) Proceedings of the election board under this section are  
 33           subject to IC 4-21.5.  
 34           SECTION 20. IC 3-9-8 IS ADDED TO THE INDIANA CODE AS  
 35           A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
 36           1, 1998]:  
 37           **Chapter 8. Political Contributions by Gaming Interests**  
 38           **Sec. 1. This chapter does not apply to contributions to a**  
 39           **candidate for a federal office.**  
 40           **Sec. 2. As used in this chapter, "committee" refers to any of**  
 41           **the following:**  
 42           (1) A candidate's committee.

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- 1           (2) A regular party committee.
- 2           (3) A committee organized by a legislative caucus of the
- 3           house or the senate of the general assembly.
- 4           (4) A political action committee.
- 5           **Sec. 3. As used in this chapter, "contractor" refers to a person**
- 6           **who has a contract with the state lottery commission or the**
- 7           **director of the commission for any of the following:**
- 8           (1) A major procurement (as defined in IC 4-30-2-5).
- 9           (2) Auditing services for the commission.
- 10          **Sec. 4. As used in this chapter, "immediate family" includes all**
- 11          **of the following:**
- 12          (1) An individual's spouse.
- 13          (2) An individual's children, whether natural or adopted.
- 14          (3) An individual's parents.
- 15          **Sec. 5. As used in this chapter, "interested person" means any**
- 16          **of the following:**
- 17          (1) A contractor.
- 18          (2) A person who holds or has applied for a permit under
- 19          IC 4-31 to conduct or assist in conducting a horse racing
- 20          meeting in which the pari-mutuel system of wagering is
- 21          permitted.
- 22          (3) A person who holds or has applied for a license under
- 23          IC 4-31 to operate a satellite facility.
- 24          (4) A person who holds or has applied for a license under
- 25          IC 4-33.
- 26          (5) A person who has, directly or indirectly, whether of
- 27          record or beneficially, at least a one percent (1%) interest in
- 28          a person described in any of subdivisions (1) through (4).
- 29          (6) An officer, director, partner, member, or trustee of a
- 30          person described in any of subdivisions (1) through (5).
- 31          (7) A member of the immediate family of an individual
- 32          described in any of subdivisions (1) through (6).
- 33          (8) A person who was at any time during the previous three
- 34          (3) year period an interested person under any of
- 35          subdivisions (1) through (7).
- 36          **Sec. 6. An interested person may not make a contribution to a**
- 37          **candidate or to a committee.**
- 38          SECTION 21. IC 3-14-1-17 IS ADDED TO THE INDIANA
- 39          CODE AS A NEW SECTION TO READ AS FOLLOWS
- 40          [EFFECTIVE JULY 1, 1998]: **Sec. 17. A person who knowingly or**
- 41          **intentionally violates IC 3-9-8-6 commits a Class D felony.**
- 42          SECTION 22. IC 4-2-6-14 IS ADDED TO THE INDIANA CODE

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1 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY  
2 1, 1998]: **Sec. 14. Civil penalties collected under this chapter must**  
3 **be deposited in the government ethics information fund established**  
4 **by IC 5-21-7-6.**

5 SECTION 23. IC 4-30-3-19, AS AMENDED BY P.L.4-1996,  
6 SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
7 JULY 1, 1998]: Sec. 19. (a) The definitions set forth in IC 3-5-2 apply  
8 to this section.

9 (b) This subsection applies to contributions made after March 15,  
10 1989, and before March 29, 1996. The commission or director may not  
11 enter into a contract with a person to serve as a vendor for a major  
12 procurement or to provide auditing services to the commission if the  
13 person has made a contribution to a candidate for a state office, within  
14 the three (3) years preceding the award of the contract. A person that  
15 enters into a contract with the commission as a vendor for a major  
16 procurement or to provide auditing services may not make a  
17 contribution to such a candidate during the three (3) years following  
18 the last award or renewal of the contract. A person is considered to  
19 have made a contribution if a contribution is made by:

- 20 (1) the person;  
21 (2) an officer of the person; or  
22 (3) a political action committee (as defined in IC 3-5-2-37) of the  
23 person.

24 (c) A person who knowingly or intentionally violates this section  
25 commits a Class D felony.

26 **(d) This section expires July 1, 2001.**

27 SECTION 24. IC 4-30-3-19.5, AS ADDED BY P.L.4-1996,  
28 SECTION 90, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
29 JULY 1, 1998]: Sec. 19.5. (a) This section applies only to contributions  
30 made after March 28, 1996.

31 (b) The definitions set forth in IC 3-5-2 apply to this section.

32 (c) As used in this section, "candidate" refers only to a candidate  
33 for a state office.

34 (d) As used in this section, "committee" refers to any of the  
35 following:

- 36 (1) A candidate's committee.  
37 (2) A regular party committee.  
38 (3) A committee organized by a legislative caucus of the house  
39 of the general assembly.  
40 (4) A committee organized by a legislative caucus of the senate  
41 of the general assembly.

42 (e) As used in this section, "contract" refers only to a contract with

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- 1 the commission or the director for any of the following:
- 2 (1) A major procurement.
- 3 (2) Auditing services to the commission.
- 4 (f) As used in this section, "contractor" means a person who has
- 5 a contract with the commission or the director.
- 6 (g) As used in this section, "officer" refers only to either of the
- 7 following:
- 8 (1) An individual listed as an officer of a corporation in the
- 9 corporation's most recent annual report.
- 10 (2) An individual who is a successor to an individual described
- 11 in subdivision (1).
- 12 (h) A person is considered to have made a contribution under this
- 13 section if a contribution is made by any of the following:
- 14 (1) The person.
- 15 (2) An officer of the person.
- 16 (3) A political action committee of the person.
- 17 (i) A person may not enter into a contract if the person has made
- 18 a contribution to a candidate or a committee within the three (3) years
- 19 preceding the award of the contract.
- 20 ~~(j) A contractor, an officer of a contractor, or a political action~~
- 21 ~~committee of a contractor may not make a contribution to a candidate~~
- 22 ~~or a committee while the contract is in effect and during the three (3)~~
- 23 ~~years following the final expiration or termination of the contract.~~
- 24 ~~(j)~~ (j) A person who knowingly or intentionally violates this
- 25 section commits a Class D felony.
- 26 SECTION 25. IC 4-30-3-19.7, AS ADDED BY P.L.4-1996,
- 27 SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 28 JULY 1, 1998]: Sec. 19.7. (a) This section applies only to contributions
- 29 made after March 28, 1996.
- 30 (b) The definitions set forth in IC 3-5-2 apply to this section.
- 31 (c) As used in this section, "candidate" refers only to the
- 32 following:
- 33 (1) A candidate for a legislative office.
- 34 (2) A candidate for a local office.
- 35 (d) As used in this section, "committee" refers to any of the
- 36 following:
- 37 (1) A candidate's committee.
- 38 (2) A regular party committee.
- 39 (3) A committee organized by a legislative caucus of the house
- 40 of the general assembly.
- 41 (4) A committee organized by a legislative caucus of the senate
- 42 of the general assembly.

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- 1 (e) As used in this section, "contract" refers only to a contract with
- 2 the commission or the director for any of the following:
- 3 (1) The printing of tickets to be used in a lottery game.
- 4 (2) Consultation services for operation of the lottery.
- 5 (3) Any goods and services involving any of the following:
- 6 (A) Equipment for the official recording for lottery game
- 7 play purposes of a player's selection in lottery games
- 8 involving player selections.
- 9 (B) The drawing, determination, or generation of winners in
- 10 lottery games.
- 11 (C) The security services required under this article.
- 12 (f) As used in this section, "contractor" refers to a person who has
- 13 a contract with the commission or the director.
- 14 (g) As used in this section, "officer" refers only to either of the
- 15 following:
- 16 (1) An individual listed as an officer of a corporation in the
- 17 corporation's most recent annual report.
- 18 (2) An individual who is a successor to an individual described
- 19 in subdivision (1).
- 20 (h) A person is considered to have made a contribution under this
- 21 section if a contribution is made by any of the following:
- 22 (1) The person.
- 23 (2) An officer of the person.
- 24 (3) A political action committee of the person.
- 25 (i) A person may not enter into a contract if the person has made
- 26 a contribution to a candidate or a committee within the three (3) years
- 27 preceding the award of the contract.
- 28 ~~(j) A contractor, an officer of a contractor, or a political action~~
- 29 ~~committee of a contractor may not make a contribution to a candidate~~
- 30 ~~or a committee while the contract is in effect and during the three (3)~~
- 31 ~~years following the final expiration or termination of the contract.~~
- 32 ~~(k)~~ (j) A person who knowingly or intentionally violates this
- 33 section commits a Class D felony.
- 34 SECTION 26. IC 4-33-2-12, AS AMENDED BY P.L.4-1996,
- 35 SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 36 JULY 1, 1998]: Sec. 12. ~~Except as provided in IC 4-33-10-2.1,~~
- 37 "Licensee" means a person holding a license issued under this article.
- 38 SECTION 27. IC 5-21-7 IS ADDED TO THE INDIANA CODE
- 39 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 40 JULY 1, 1998]:
- 41 **Chapter 7. Electronic Public Access to Government Ethics**
- 42 **Information**

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1           **Sec. 1.** As used in this chapter, "fund" refers to the  
2 government ethics information fund established by section 6 of this  
3 chapter.

4           **Sec. 2.** As used in this chapter, "report receiving agency"  
5 refers to any of the following:

- 6           (1) The principal clerk of the house of representatives.
- 7           (2) The secretary of the senate.
- 8           (3) The election division of the secretary of state's office.
- 9           (4) The lobby registration commission.
- 10          (5) The state ethics commission.

11          **Sec. 3.** Each report receiving agency shall create and maintain  
12 one (1) or more databases in searchable, digital form of any of the  
13 following that is filed with the report receiving agency:

- 14          (1) The statements of economic interest required to be filed  
15 with the principal clerk of the house of representatives under  
16 IC 2-2.1-3-2.
- 17          (2) The statements of economic interest required to be filed  
18 with the secretary of the senate under IC 2-2.1-3-2.
- 19          (3) The following statements or reports that are required to  
20 be filed with the lobby registration commission under  
21 IC 2-7-2 or IC 2-7-3:

- 22           (A) Employer lobbyist registration statement.
- 23           (B) Compensated lobbyist registration statement.
- 24           (C) Report of employer lobbyist activities.
- 25           (D) Report of compensated lobbyist activities.

26          (4) The following statements or reports that are required to  
27 be filed with the Indiana election commission under IC 3-9:

- 28           (A) Candidate's statement of organization and  
29 designation of principal committee or exploratory  
30 committee.
- 31           (B) Political action committee statement of organization.
- 32           (C) Regular party committee statement of organization.
- 33           (D) Receipts and expenditure report of a political  
34 committee.
- 35           (E) Notice to a candidate's committee of contributions  
36 received and expenditures made.
- 37           (F) Independent expenditure reports by an individual.
- 38           (G) Independent expenditure report by a corporation or  
39 labor organization.

40          (5) The statements of financial disclosure filed with the state  
41 ethics commission under IC 4-2-6.

42          **Sec. 4.** (a) Each report receiving agency shall make available

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1 to the commission the information that the report receiving agency  
2 is required to maintain in a database under section 3 of this  
3 chapter.

4 (b) For each form contained in a database, the report receiving  
5 agency shall add newly filed information into the database within  
6 thirty (30) days after the filing deadline for the particular form  
7 filed.

8 **Sec. 5. The commission shall do the following:**

9 (1) Make the information described in section 4 of this  
10 chapter available to the public through the state's electronic  
11 gateway to the Internet established and administered by the  
12 commission.

13 (2) With the assistance of the report receiving agencies,  
14 develop for use through the state's electronic gateway to the  
15 Internet an electronic filing application for each form  
16 contained in the databases.

17 (3) Make information added to a database under section 4(b)  
18 of this chapter available to the public within seven (7) days  
19 after the information is added to the database.

20 **Sec. 6. (a) The government ethics information fund is**  
21 **established.**

22 (b) The fund consists of the following:

23 (1) The registration fees collected under IC 2-7-2-1(b).

24 (2) The civil penalties collected under IC 2-7.

25 (3) The civil penalties collected under IC 3-9 that are  
26 required to be deposited in the fund.

27 (4) The civil penalties collected under IC 4-2.

28 (c) The commission shall administer the fund.

29 (d) The fund must be used for the following purposes:

30 (1) The development and maintenance of the databases  
31 described in section 3 of this chapter.

32 (2) The activities described in section 5 of this chapter.

33 (e) The treasurer of state shall invest the money in the fund not  
34 currently needed to meet the obligations of the fund in the same  
35 manner as other public money may be invested.

36 (f) Money in the fund is appropriated for the purposes  
37 described in subsection (d).

38 (g) Money in the fund at the end of a state fiscal year does not  
39 revert to the state general fund.

40 SECTION 28. IC 6-8.1-9.5-1 IS AMENDED TO READ AS  
41 FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 1. For purposes of (a)  
42 The definitions in this section apply throughout this chapter.

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- 1           **(b) "Claimant agency" means any state of the following:**
- 2           **(1) A department, an institution, a commission, a committee, a**
- 3           **board, a division, a bureau, an authority, an officer, or an**
- 4           **official of the state.**
- 5           **(2) A county election board.**
- 6           **(c) "Debtor" means any person or legal entity that is delinquent in**
- 7           **paying a debt to a claimant agency that has not been adjudicated**
- 8           **satisfied by court order, set aside by court order, or discharged in**
- 9           **bankruptcy.**
- 10           **(d) "Debt" means any liquidated amount owed and due to a Title**
- 11           **IV-D agency of another state, or to any claimant agency which has**
- 12           **accrued through contract, subrogation, assignment for purposes of**
- 13           **collection, tort, operation of law, or any other legal theory, regardless**
- 14           **of whether there is an outstanding judgment for that sum.**
- 15           **SECTION 29. THE FOLLOWING ARE REPEALED**
- 16           **[EFFECTIVE JULY 1, 1998]: IC 2-2.1-3-3.5; IC 2-7-3-6; IC 2-7-6-6;**
- 17           **IC 4-31-13-3.5; IC 4-33-10-2.1.**
- 18           **SECTION 30. [EFFECTIVE JUNE 30, 1998] (a) As used in this**
- 19           **SECTION, "commission" refers to the lobby registration**
- 20           **commission established by IC 2-7-1.6-1.**
- 21           **(b) Notwithstanding IC 2-7-1.6-3, before its amendment by this**
- 22           **act, the term of a commission member serving on June 30, 1998,**
- 23           **expires July 1, 1998.**
- 24           **(c) Before July 1, 1998, each of the following shall appoint a**
- 25           **member of the commission:**
- 26           **(1) The speaker of the house of representatives.**
- 27           **Notwithstanding IC 2-7-1.6-3, as amended by this act, the**
- 28           **term of a commission member appointed under this**
- 29           **subdivision expires January 1, 2001.**
- 30           **(2) The republican leader of the house of representatives.**
- 31           **Notwithstanding IC 2-7-1.6-3, as amended by this act, the**
- 32           **term of a commission member appointed under this**
- 33           **subdivision expires January 1, 2000.**
- 34           **(3) The president pro tempore of the senate. Notwithstanding**
- 35           **IC 2-7-1.6-3, as amended by this act, the term of a**
- 36           **commission member appointed under this subdivision**
- 37           **expires January 1, 2001.**
- 38           **(4) The democratic leader of the senate. Notwithstanding**
- 39           **IC 2-7-1.6-3, as amended by this act, the term of a**
- 40           **commission member appointed under this subdivision**
- 41           **expires January 1, 2000.**
- 42           **(d) A commission member serving on June 30, 1998, may be**

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1       **reappointed a commission member under this SECTION.**  
2           **(e) This SECTION expires January 1, 2001.**  
3           SECTION 31. [EFFECTIVE JULY 1, 1998] **(a) The definitions**  
4       **in IC 5-21-7, as added by this act, apply throughout this SECTION.**  
5           **(b) Each report receiving agency shall create the initial**  
6       **databases described in IC 5-21-7-3, as added by this act, before**  
7       **August 1, 1998.**  
8           **(c) This SECTION expires January 1, 1999.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Rules and Legislative Procedures, to which was referred House Bill 1326, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 10, line 24, strike "An" and insert "**A reasonably ascertainable**".

Page 10, between lines 32 and 33, begin a new line block indented and insert:

**"An expenditure made in the ordinary course of the member's or the member's spouse's business is not required to be included in the statement of expenditures and gifts under this subdivision."**

and when so amended that said bill do pass.

(Reference is to House Bill 1326 as introduced.)

CROSBY, Chair

Committee Vote: yeas 7, nays 0.

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## HOUSE MOTION

Mr. Speaker: I move that House Bill 1326 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 2-2.1-1-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: **Sec. 14. (a) As used in this section, "budget bill" has the meaning set forth in IC 4-12-1-2.**

**(b) A budget bill is not eligible for third reading in the house of representatives until a copy of the text of the entire bill, as proposed to be enacted, has been made available to each member of the house of representatives for at least twenty-four (24) hours.**

**(c) A conference committee report for a budget bill is not eligible for adoption in the house of representatives until a copy of the text of the entire bill, as the conference committee report proposes the bill to be enacted, has been made available to each member of the house of representatives for at least twenty-four (24) hours.**

**(d) A budget bill enacted in violation of this section is void."**  
Renumber all SECTIONS consecutively.

(Reference is to House Bill 1326 as printed January 29, 1998.)

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