

# HOUSE BILL No. 1231

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 2-2.1-3-2; IC 2-2.1-3-2.1; IC 2-7-3-3; IC 2-7-3-3.1.

**Synopsis:** Reporting gifts by lobbyists. Provides that a member of the general assembly or a candidate for election to the general assembly must report the following information on the member's or candidate's statement of economic interests: (1) Information for each day on which a lobbyist spent \$50 or more on meals for the member or candidate. (2) Information on each gift having a fair market value of \$20 or more given by a lobbyist to the member or candidate. Requires a lobbyist to report similar information on the lobbyist's activity reports. Provides that this information is not required to be reported for any period before January 1, 1999.

**Effective:** July 1, 1998.

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January 13, 1998, read first time and referred to Committee on Rules and Legislative Procedures.

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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 1996 General Assembly.

# HOUSE BILL No. 1231



A BILL FOR AN ACT to amend the Indiana Code concerning the general assembly.

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

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

9 (1) The name of the member's or candidate's employer and the  
10 employer of the member's or candidate's spouse and the nature of the  
11 employer's business. The house of representatives and senate need  
12 not be listed as an employer.

13 (2) The name of any sole proprietorship owned or professional  
14 practice operated by the member or candidate or the member's or  
15 candidate's spouse and the nature of the business.

16 (3) The name of any partnership of which the member or candidate  
17 or the member's or candidate's spouse is a member and the nature of



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- 1 the partnership's business.
- 2 (4) The name of any corporation of which the member or candidate
- 3 or the member's or candidate's spouse is an officer or director and
- 4 the nature of the corporation's business. Churches need not be listed.
- 5 (5) The name of any corporation in which the member or candidate
- 6 or the member's or candidate's spouse or unemancipated children
- 7 own stock or stock options having a fair market value in excess of
- 8 ten thousand dollars (\$10,000). No time or demand deposit in a
- 9 financial institution or insurance policy need be listed.
- 10 (6) The name of any state agency or the supreme court of Indiana
- 11 which licenses or regulates the following:
- 12 (A) The member's or candidate's or the member's or candidate's
- 13 spouse's profession or occupation.
- 14 (B) Any proprietorship, partnership, corporation, or limited
- 15 liability company listed under subdivision (2), (3), or (4) and the
- 16 nature of the licensure or regulation.
- 17 The requirement to file certain reports with the secretary of state or
- 18 to register with the department of state revenue as a retail merchant,
- 19 manufacturer, or wholesaler shall not be considered as licensure or
- 20 regulation.
- 21 (7) The name of any person whom the member or candidate knows
- 22 to have been a lobbyist in the previous calendar year and knows to
- 23 have purchased any of the following:
- 24 (A) From the member or candidate, the member's or candidate's
- 25 sole proprietorship, or the member's or candidate's family
- 26 business, goods or services for which the lobbyist paid in excess
- 27 of one hundred dollars (\$100).
- 28 (B) From the member's or candidate's partner, goods or services
- 29 for which the lobbyist paid in excess of one thousand dollars
- 30 (\$1,000).
- 31 (8) The name of any person or entity from whom the member or
- 32 candidate received the following:
- 33 (A) Any gift of cash from a lobbyist.
- 34 (B) Any single gift other than cash having a fair market value in
- 35 excess of one hundred dollars (\$100).
- 36 However, a contribution made by a lobbyist to a charitable
- 37 organization (as defined in Section 501(c) of the Internal Revenue
- 38 Code) in connection with a social or sports event attended by
- 39 legislators need not be listed by a member of the general assembly
- 40 unless the contribution is made in the name of the legislator.
- 41 (C) Any gifts other than cash having a fair market value in the
- 42 aggregate in excess of two hundred fifty dollars (\$250).

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1 Campaign contributions need not be listed. Gifts from a spouse  
 2 or close relative need not be listed unless the donor has a  
 3 substantial economic interest in a legislative matter.

4 **information required by section 2.1 of this chapter.**

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

- 6 (A) a member of a partnership or limited liability company;  
 7 (B) an officer or a director of a corporation; or  
 8 (C) a manager of a limited liability company;

9 of which the member of or candidate for the general assembly is a  
 10 partner, an officer, a director, a member, or an employee, and a  
 11 description of the legislative matters which are the object of the  
 12 lobbyist's activity.

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

19 (11) The name of any limited liability company of which the  
 20 member of the general assembly, the candidate, or the member's or  
 21 candidate's individual spouse has an interest.

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

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

32 SECTION 2. IC 2-2.1-3-2.1 IS ADDED TO THE INDIANA CODE  
 33 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 34 1, 1998]: **Sec. 2.1. (a) In addition to the information required by  
 35 section 2 of this chapter, a statement of economic interests must  
 36 include the following information for the calendar year specified in  
 37 section 2 of this chapter:**

38 **(1) A statement of each gift of cash given by a lobbyist. The  
 39 statement under this subdivision must include the following  
 40 information for each gift required to be reported under this  
 41 subdivision:**

- 42 **(A) The name of the lobbyist who gave the gift.**



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- 1           **(B) The date on which the gift was given.**  
 2           **(C) The total given by the lobbyist on the date reported**  
 3           **under clause (B).**  
 4           **(2) A statement of meals purchased by a lobbyist for the**  
 5           **member or candidate for each day in which the fair market**  
 6           **value of the meals is at least fifty dollars (\$50). The statement**  
 7           **under this subdivision must include the following information**  
 8           **for each day that this subdivision requires a report:**  
 9               **(A) The name of the lobbyist who purchased the meals.**  
 10              **(B) The date on which the meals were purchased.**  
 11              **(C) The total spent by the lobbyist for meals on the date**  
 12              **reported under clause (B).**  
 13           **(3) A statement of each gift not reported under subdivisions (1)**  
 14           **through (2) that was given by a lobbyist and has a fair market**  
 15           **value of at least twenty dollars (\$20). A statement under this**  
 16           **subdivision must include the following information for each gift**  
 17           **required to be reported under this subdivision:**  
 18               **(A) The name of the lobbyist who gave the gift.**  
 19               **(B) The date on which the gift was given.**  
 20               **(C) The total spent by the lobbyist for the gift.**  
 21           **(4) Any single gift not reported under subdivisions (1) through**  
 22           **(3) having a fair market value of more than one hundred**  
 23           **dollars (\$100). A statement under this subdivision must include**  
 24           **the name of the person who gave the gift.**  
 25           **(5) Any gifts not reported under subdivisions (1) through (4)**  
 26           **having a fair market value in the aggregate of more than two**  
 27           **hundred fifty dollars (\$250). A statement under this subdivision**  
 28           **must include the name of the person who gave the gift.**  
 29           **(b) The following are not required to be listed under subsection**  
 30           **(a):**  
 31               **(1) A contribution made by a lobbyist to a charitable**  
 32               **organization (as defined in Section 501(c) of the Internal**  
 33               **Revenue Code) in connection with a social or sports event**  
 34               **attended by legislators unless the contribution is made in the**  
 35               **name of the individual filing the statement of economic**  
 36               **interests.**  
 37               **(2) A campaign contribution.**  
 38               **(3) A gift from a spouse or close relative unless the donor has**  
 39               **a substantial economic interest in a legislative matter.**  
 40            SECTION 3. IC 2-7-3-3 IS AMENDED TO READ AS FOLLOWS  
 41            [EFFECTIVE JULY 1, 1998]: Sec. 3. (a) The activity reports of each  
 42            lobbyist shall include the following:



- 1 (1) A complete and current statement of the information required to  
 2 be supplied under IC 2-7-2-3 and IC 2-7-2-4.
- 3 (2) Total expenditures on lobbying (prorated, if necessary) broken  
 4 down to include at least the following categories:
- 5 (A) Compensation to others who perform lobbying services.  
 6 (B) Reimbursement to others who perform lobbying services.  
 7 (C) Receptions.  
 8 (D) Entertainment, including meals. However, a function to  
 9 which the entire general assembly is invited is not lobbying  
 10 under this article.  
 11 (E) Gifts made to an employee of the general assembly or a  
 12 member of the immediate family of an employee of the general  
 13 assembly.
- 14 (3) A statement of expenditures and gifts that equal one hundred  
 15 dollars (\$100) or more in one (1) day, or that together total more  
 16 than five hundred dollars (\$500) during the calendar year, if the  
 17 expenditures and gifts are made by the registrant or his agent to  
 18 benefit **any of the following:**
- 19 ~~(A) A member of the general assembly;~~  
 20 ~~(B) (A) An officer of the general assembly.~~  
 21 ~~(C) (B) An employee of the general assembly. or~~  
 22 ~~(D) (C) A member of the immediate family of anyone included~~  
 23 ~~in clause (A) or (B). or (E).~~  
 24 **(D) A member of the immediate family of a member of the**  
 25 **general assembly.**
- 26 (4) Whenever a lobbyist makes an expenditure that is for the benefit  
 27 of all of the members of the general assembly on a given occasion,  
 28 the total amount expended shall be reported, but the lobbyist shall  
 29 not prorate the expenditure among each member of the general  
 30 assembly.
- 31 (5) A list of the general subject matter of each bill or resolution  
 32 concerning which a lobbying effort was made within the registration  
 33 period.
- 34 (6) The name of the beneficiary of each expenditure or gift made by  
 35 the lobbyist or his agent that is required to be reported under  
 36 subdivision (3).
- 37 (7) The name of each member of the general assembly from whom  
 38 the lobbyist has received an affidavit required under IC 2-2.1-3-3.5.
- 39 **(8) The information required to be reported under section 3.1**  
 40 **of this chapter.**
- 41 (b) In the second semiannual report, when total amounts are required  
 42 to be reported, totals shall be stated both for the period covered by the

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1 statement and for the entire reporting year.

2 (c) An amount reported under this section is not required to include the  
3 following:

4 (1) Overhead costs.

5 (2) Charges for any of the following:

6 (A) Postage.

7 (B) Express mail service.

8 (C) Stationery.

9 (D) Facsimile transmissions.

10 (E) Telephone calls.

11 (3) Expenditures for the personal services of clerical and other  
12 support staff persons who are not lobbyists.

13 (4) Expenditures for leasing or renting an office.

14 (5) Expenditures for lodging, meals, and other personal expenses of  
15 the lobbyist.

16 SECTION 4. IC 2-7-3-3.1 IS ADDED TO THE INDIANA CODE  
17 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
18 1, 1998]: **Sec. 3.1. (a) In addition to the information required by  
19 section 3 of this chapter, an activity report must include the  
20 following information:**

21 **(1) A statement of each gift of cash given by a lobbyist to a  
22 member of the general assembly or candidate for election to  
23 the general assembly. The statement under this subdivision  
24 must include the following information:**

25 **(A) The name of the member or candidate to whom the gift  
26 was given.**

27 **(B) The date on which the gift was given.**

28 **(C) The total given by the lobbyist to the member or  
29 candidate on the date reported under clause (B).**

30 **(2) A statement of meals purchased by the lobbyist for the  
31 member of the general assembly or a candidate for election to  
32 the general assembly for each day in which the fair market  
33 value of the meals is at least fifty dollars (\$50). The statement  
34 under this subdivision must include the following information  
35 for each day that this subdivision requires a report:**

36 **(A) The name of the member or candidate for whom the  
37 meals were purchased.**

38 **(B) The date on which the meals were purchased.**

39 **(C) The total spent by the lobbyist for meals for the member  
40 or candidate on the date reported under clause (B).**

41 **(3) A statement of each gift not reported under subdivisions (1)  
42 through (2) given by a lobbyist to a member of the general**

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1 assembly or a candidate for election to the general assembly  
 2 and having a fair market value of at least twenty dollars (\$20).  
 3 A statement under this subdivision must include the following  
 4 information for each gift required to be reported under this  
 5 subdivision:

6 (A) The name of the member or candidate to whom the gift  
 7 was given.

8 (B) The date on which the gift was given.

9 (C) The total spent by the lobbyist for the gift.

10 (b) The following are not required to be listed under subsection  
 11 (a):

12 (1) A contribution made by a lobbyist to a charitable  
 13 organization (as defined in Section 501(c) of the Internal  
 14 Revenue Code) in connection with a social or sports event  
 15 attended by legislators unless the contribution is made in the  
 16 name of a specific legislator or legislators.

17 (2) A campaign contribution.

18 (c) A lobbyist shall give to each member of the general assembly  
 19 or candidate for election to the general assembly a copy of a  
 20 statement:

21 (1) filed by the lobbyist under this section; and

22 (2) relating to the member or candidate.

23 SECTION 5. [EFFECTIVE JULY 1, 1998] (a) IC 2-2.1-3-2, as  
 24 amended by this act, and IC 2-2.1-3-2.1, as added by this act, do not  
 25 apply to a statement of economic interests:

26 (1) required to be filed by a member of the general assembly or  
 27 a candidate for election to the general assembly; and

28 (2) covering a calendar year before January 1, 1999.

29 (b) This SECTION expires January 1, 2000.

30 SECTION 6. [EFFECTIVE JULY 1, 1998] (a) IC 2-7-3-3, as  
 31 amended by this act, and IC 2-7-3-3.1, as added by this act, do not  
 32 apply to an activity report:

33 (1) required to be filed by a lobbyist; and

34 (2) covering any period before January 1, 1999.

35 (b) This SECTION expires January 1, 2000.

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