



Author Change
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February 2, 2010

SENATE BILL No. 114

DIGEST OF SB 114 (Updated February 1, 2010 3:50 pm - DI 75)

Citations Affected: IC 2-2.1; IC 2-7; IC 3-9; IC 4-2; IC 5-14.

Synopsis: Government ethics. Provides that legislative statements of economic interests are not required to report gifts made to the filer or purchases by a lobbyist from the filer's business. Requires legislative branch lobbyists to report such expenses. Requires the lobby registration commission to compile reports of these purchases and gifts and provide them to the legislator or candidate. Provides that legislators may not accept honoraria for appearances or speeches but may accept payment or reimbursement of travel expenses for appearances or speeches. Reduces the amount of a single gift or expenditure that must be reported by a lobbyist from \$100 to \$50. Reduces the calendar year threshold of gifts and expenditures that must be reported from \$500 to \$250. Provides that a lobbyist may not make a gift with a value of more than \$50 to a legislative person unless the lobbyist receives the approval of the legislative person before making
(Continued next page)

Effective: Upon passage; July 1, 2010; November 1, 2010; January 1, 2011; November 1, 2011.

Miller, Charbonneau, Sipes, Gard, Lawson C,
Delph, Merritt, Boots, Dillon, Errington,
Young R, Randolph, Holdman, Alting, Arnold,
Becker, Bray, Breaux, Broden, Deig, Head,
Hershman, Hume, Kenley, Lanane, Landske,
Lewis, Long, Mrvan, Rogers, Schneider,
Simpson, Skinner, Tallian, Taylor, Walker,
Waltz, Waterman, Wyss, Steele, Kruse,
Leising, Paul, Mishler, Zakas, Yoder,
Stutzman, Nugent, Buck

January 5, 2010, read first time and referred to Committee on Rules and Legislative Procedure.
January 11, 2010, amended, reported favorably — Do Pass.
February 1, 2010, read second time, amended, ordered engrossed.

SB 114—LS 6516/DI 75+



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the gift and informs the legislative person the cost of the gift the lobbyist wants to make at the time the lobbyist seeks consent to the gift. Provides that a lobbyist may not pay expenses for out-of-state travel for a legislative person with exceptions for: (1) "public policy meetings" approved by speaker of the house of representatives or the president pro tempore of the senate; or (2) if the expenses are associated with the legislative person's service as an officer, member of the board of directors, employee, or independent contractor of the person paying the expenses. Provides that the definition of a legislative branch "lobbyist" does not include public officials, public employees, or a national organization established for the education and support of legislators, legislative staff, or related government employees. Requires expenditures that can be "clearly and reasonably" attributed to a particular legislative person to be reported with respect to that legislative person. Requires that a lobbyist's expenditure report must include expenses for a function or activity to which all of any of the following are invited: (1) members of the general assembly; (2) members of the house of representatives; (3) members of the senate; (4) members of a standing or other committee established by the rules of the house of representative or senate; (4) members of a study committee; or (5) members of a caucus of the house of representatives or the senate. Establishes rules for reporting an expenditure made by more than one lobbyist, the reporting of expenditures with respect to a particular legislative person, and allocation of expenditures made with respect to several legislative persons. Changes the time during which a lobbyist must report certain expenditures with a legislator from seven days to 15 business days. Increases the daily penalty for failure to file lobbyist registration statements and activity reports from \$10 per day to \$100 per day. Increases the maximum penalty for failure to file lobbyist registration statements and activity reports from \$100 to \$4,500. Defines "conflict of interest" for lobbyists. Requires lobbyists to file with the Indiana lobby registration commission a description of the procedure that will be utilized if conflicts arise. Requires the procedure to be incorporated into the lobbyist's contract with clients. Requires the lobby registration commission to make available on the Internet all reports, statements, and documents filed with the commission and all manuals, indices, summaries, and other documents the commission is required to compile, publish, or maintain. Requires "legislative liaisons" of agencies in the executive branch of state government and of state educational institutions to report certain expenditures annually to the lobby registration commission. Provides that legislators who are candidates for reelection in 2010 may not become a lobbyist or legislative liaison before January 1, 2012 and that beginning with this date, a legislator must wait 365 days after leaving the general assembly before becoming a lobbyist or legislative liaison. Provides that state elected official may not use the state elected official's name or likeness in an audio, video, or newspaper publication paid for entirely or in part with appropriations made by the general assembly, regardless of the source of the money. Provides that this prohibition does not apply to a communication made by the governor concerning the public health or safety or by a state elected official for a publication that has a "compelling public policy reason" that is approved by the budget committee and the budget agency. Provides that a state elected official may use the title of the office the state elected official holds in a communication. Provides that elected state officers and candidates for state office may not raise funds during same period during long session when legislators are barred from fundraising. Removes a requirement that candidates for the general assembly file candidate documents with the circuit court clerk. Requires the circuit court clerk to provide copies of legislative candidacy documents from the election division's or the secretary of state's website to person requesting to see these documents. Makes technical changes. Repeals superseded statutes.

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Second Regular Session 116th General Assembly (2010)

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 2009 Regular and Special Sessions of the General Assembly.

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SENATE BILL No. 114

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

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

- 1 SECTION 1. IC 2-2.1-3-2 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 2. (a) Not later
3 than seven (7) calendar days following the first session day in January
4 of each year every member of the general assembly shall file with the
5 principal clerk of the house or secretary of the senate, respectively, a
6 written statement of the member's or candidate's economic interests for
7 the preceding calendar year listing the following:
8 (1) The name of the member's or candidate's employer and the
9 employer of the member's or candidate's spouse and the nature of
10 the employer's business. The house of representatives and senate
11 need not be listed as an employer.
12 (2) The name of any sole proprietorship owned or professional
13 practice operated by the member or candidate or the member's or
14 candidate's spouse and the nature of the business.
15 (3) The name of any partnership of which the member or



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candidate or the member's or candidate's spouse is a member and the nature of the partnership's business.

(4) The name of any corporation of which the member or candidate or the member's or candidate's spouse is an officer or director and the nature of the corporation's business. Churches need not be listed.

(5) The name of any corporation in which the member or candidate or the member's or candidate's spouse or unemancipated children own stock or stock options having a fair market value in excess of ten thousand dollars (\$10,000). No time or demand deposit in a financial institution or insurance policy need be listed.

(6) The name of any state agency or the supreme court of Indiana which licenses or regulates the following:

(A) The member's or candidate's or the member's or candidate's spouse's profession or occupation.

(B) Any proprietorship, partnership, corporation, or limited liability company listed under subdivision (2), (3), or (4) and the nature of the licensure or regulation.

The requirement to file certain reports with the secretary of state or to register with the department of state revenue as a retail merchant, manufacturer, or wholesaler shall not be considered as licensure or regulation.

(7) The name of any person whom the member or candidate knows to have been a lobbyist in the previous calendar year and knows to have purchased any of the following:

(A) From the member or candidate, the member's or candidate's sole proprietorship, or the member's or candidate's family business, goods or services for which the lobbyist paid in excess of one hundred dollars (\$100).

(B) From the member's or candidate's partner, goods or services for which the lobbyist paid in excess of one thousand dollars (\$1,000).

This subdivision does not apply to purchases made after December 31, 1998, by a lobbyist from a legislator's retail business made in the ordinary course of business at prices that are available to the general public. For purposes of this subdivision, a legislator's business is considered a retail business if the business is a retail merchant as defined in IC 6-2.5-1-8.

(8) The name of any person or entity from whom the member or candidate received the following:

(A) Any gift of cash from a lobbyist.

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1 (B) Any single gift other than cash having a fair market value
2 in excess of one hundred dollars (\$100).
3 However, a contribution made by a lobbyist to a charitable
4 organization (as defined in Section 501(c) of the Internal
5 Revenue Code) in connection with a social or sports event
6 attended by legislators need not be listed by a member of the
7 general assembly unless the contribution is made in the name
8 of the legislator.
9 (C) Any gifts other than cash having a fair market value in the
10 aggregate in excess of two hundred fifty dollars (\$250).
11 Campaign contributions need not be listed. Gifts from a spouse
12 or close relative need not be listed unless the donor has a
13 substantial economic interest in a legislative matter.
14 (9) (7) The name of any lobbyist who is:
15 (A) a member of a partnership or limited liability company;
16 (B) an officer or a director of a corporation; or
17 (C) a manager of a limited liability company;
18 of which the member of or candidate for the general assembly is
19 a partner, an officer, a director, a member, or an employee, and a
20 description of the legislative matters which are the object of the
21 lobbyist's activity.
22 (10) (8) The name of any person or entity on whose behalf the
23 member or candidate has appeared before, contacted, or
24 transacted business with any state agency or official thereof, the
25 name of the state agency, the nature of the appearance, contact, or
26 transaction, and the cause number, if any. This requirement does
27 not apply when the services are rendered without compensation.
28 (11) (9) The name of any limited liability company of which the
29 member of the general assembly, the candidate, or the member's
30 or candidate's individual spouse has an interest.
31 (b) Before any person who is not a member of the general assembly
32 files the person's declaration of candidacy, declaration of intent to be
33 a write-in candidate, or petition of nomination for office or is selected
34 as a candidate for the office under IC 3-13-1 or IC 3-13-2, the person
35 shall file with the clerk of the house or secretary of the senate,
36 respectively, the same written statement of economic interests for the
37 preceding calendar year that this section requires members of the
38 general assembly to file.
39 (c) Any member of or candidate for the general assembly may file
40 an amended statement upon discovery of additional information
41 required to be reported.
42 SECTION 2. IC 2-2.1-3-9.5 IS ADDED TO THE INDIANA CODE

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1 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
2 1, 2010]: **Sec. 9.5. (a) As used in this section, "honarium" means
3 a payment of money for an appearance or a speech. The term does
4 not include payment or reimbursement of travel expenses.**

5 **(b) A member of the general assembly may not receive an
6 honarium for an appearance or a speech made or given in the
7 member's capacity as a legislator.**

8 SECTION 3. IC 2-2.1-3-12 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 12. The following
10 constitute disorderly behavior and may be punished by the house
11 of representatives or senate as provided in Article 4, Section 14 of
12 the Constitution of the State of Indiana:**

13 **(1) Willful failure to file a required statement by the deadline
14 prescribed in this chapter or knowingly filing a false statement or
15 violation of section 9 or 10 of this chapter. shall constitute
16 disorderly behavior and may be punished by the house or senate
17 as provided in Article 4, Section 14 of the Constitution of the
18 State of Indiana.**

19 **(2) Knowing violation of section 9.5 of this chapter.**

20 SECTION 4. IC 2-7-1-0.1 IS ADDED TO THE INDIANA CODE
21 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
22 NOVEMBER 1, 2010]: **Sec. 0.1. The definitions in this chapter
23 apply throughout this article.**

24 SECTION 5. IC 2-7-1-1.3 IS ADDED TO THE INDIANA CODE
25 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
26 NOVEMBER 1, 2010]: **Sec. 1.3. "Candidate" refers to a candidate
27 for election to the general assembly.**

28 SECTION 6. IC 2-7-1-1.7 IS ADDED TO THE INDIANA CODE
29 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
30 NOVEMBER 1, 2010]: **Sec. 1.7. (a) "Close relative" of an individual
31 refers to any of the following:**

- 32 **(1) The individual's spouse.**
- 33 **(2) A parent of the individual or a parent of the individual's**
- 34 **spouse.**
- 35 **(3) A child of the individual or a child of the individual's**
- 36 **spouse.**
- 37 **(4) A sibling of the individual or a sibling of the individual's**
- 38 **spouse.**
- 39 **(5) An aunt or an uncle of the individual or an aunt or uncle**
- 40 **of the individual's spouse.**
- 41 **(6) A niece or nephew of the individual or a niece or nephew**
- 42 **of the individual's spouse.**

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- 1 **(7) A grandparent of the individual or a grandparent of the**
- 2 **individual's spouse.**
- 3 **(8) A grandchild of the individual or a grandchild of the**
- 4 **individual's spouse.**
- 5 **(9) A great-grandparent of the individual or a**
- 6 **great-grandparent of the individual's spouse.**
- 7 **(10) A great-grandchild of the individual or a**
- 8 **great-grandchild of the individual's spouse.**

9 **(b) A relative by adoption, half-blood, marriage, or remarriage**
 10 **is considered as a relative of whole kinship.**

11 SECTION 7. IC 2-7-1-1.9 IS ADDED TO THE INDIANA CODE
 12 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**
 13 **NOVEMBER 1, 2010]: Sec. 1.9. "Commission" refers to the Indiana**
 14 **lobby registration commission established by IC 2-7-1.6-1.**

15 SECTION 8. IC 2-7-1-4 IS AMENDED TO READ AS FOLLOWS
 16 [EFFECTIVE NOVEMBER 1, 2010]: Sec. 4. (a) "Gift" means the
 17 voluntary transfer of anything of value without consideration.

- 18 (b) The term does not include ~~any of the following:~~
- 19 (1) ~~A gift received from a relative within the third degree of~~
- 20 ~~kinship of the person or of the person's spouse, or from the spouse~~
- 21 ~~of any such relative.~~
- 22 (2) ~~a contribution (as defined in IC 3-5-2-15).~~

23 SECTION 9. IC 2-7-1-7.2 IS ADDED TO THE INDIANA CODE
 24 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**
 25 **NOVEMBER 1, 2010]: Sec. 7.2. "Legislative body" refers to any of**
 26 **the following:**

- 27 **(1) The general assembly.**
- 28 **(2) The house of representatives.**
- 29 **(3) The senate.**
- 30 **(4) A standing or other committee established by the rules of**
- 31 **the house of representatives or the senate.**
- 32 **(5) A committee established by statute or by the legislative**
- 33 **council. An individual who:**
- 34 **(A) is a member of a committee described in this**
- 35 **subdivision; and**
- 36 **(B) is not a member of the general assembly;**
- 37 **is not considered to be a member of a legislative body for**
- 38 **purposes of this article.**
- 39 **(6) A caucus of the house of representatives or the senate.**

40 SECTION 10. IC 2-7-1-7.5 IS ADDED TO THE INDIANA CODE
 41 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE**
 42 **NOVEMBER 1, 2010]: Sec. 7.5. "Legislative liaison" has the**

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meaning set forth in IC 5-14-7-3.

SECTION 11. IC 2-7-1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: Sec. 8. "Legislative official person" means any of the following:

- (1) A member. of the general assembly, or any
- (2) A candidate.
- (3) An officer of the general assembly.
- (4) An employee or of the general assembly.
- (5) A member of the immediate family of anyone described in subdivision (1), (2), (3), or (4). A lobbyist who is a close relative of a legislative person is not considered a legislative person.
- (6) A paid consultant of the general assembly. or
- (7) An agency of the general assembly.

SECTION 12. IC 2-7-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: Sec. 9. "Lobbying" means communicating by any means, or paying others to communicate by any means, with any legislative official person with the purpose of influencing any legislative action.

SECTION 13. IC 2-7-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: Sec. 10. (a) "Lobbyist" means any person who:

- (1) engages in lobbying; and
- (2) in any registration year, receives or expends an aggregate of at least five hundred dollars (\$500) in compensation or expenditures reportable under this article for lobbying, whether the compensation or expenditure is solely for lobbying or the lobbying is incidental to that individual's regular employment.

(b) The following are not considered lobbyists:

- (1) A public employee or public official.
- (2) The National Conference of State Legislatures.
- (3) The National Conference of Insurance Legislators.
- (4) The American Legislative Exchange Council.
- (5) Women in Government.
- (6) The Council of State Governments.
- (7) The National Black Caucus of State Legislators.
- (8) Any other national organization established for the education and support of legislators, legislative staff, or related government employees.

SECTION 14. IC 2-7-1-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: Sec. 10.5. "Member", except as used in

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1 **IC 2-7-3(a) and IC 2-7-7-8, refers to a member of the general**
 2 **assembly.**

3 SECTION 15. IC 2-7-2-2 IS AMENDED TO READ AS FOLLOWS
 4 [EFFECTIVE NOVEMBER 1, 2010]: Sec. 2. (a) Each registration
 5 statement shall be filed not later than January 15 or within fifteen (15)
 6 days after ~~the registrant~~ **a person** becomes a lobbyist, whichever is
 7 later. Each registration statement expires on December 31 of the year
 8 for which it was issued. The commission may accept registration
 9 statements before January 1 of the year to which they apply, as the
 10 commission determines.

11 (b) Subject to subsections (c) and (d), the commission shall impose
 12 a late registration fee of ~~ten one hundred~~ **dollars (\$10) (\$100)** per day
 13 for each day after the deadline until the statement is filed.

14 (c) The late registration fee shall not exceed ~~one hundred four~~
 15 **thousand five hundred** dollars ~~(\$100)~~ **(\$4,500)**.

16 (d) The commission may waive the late registration fee if the
 17 commission determines that the circumstances make imposition of the
 18 fee inappropriate.

19 SECTION 16. IC 2-7-3-2 IS AMENDED TO READ AS FOLLOWS
 20 [EFFECTIVE NOVEMBER 1, 2010]: Sec. 2. (a) One (1) activity report
 21 shall be filed not later than May 31, covering the period from
 22 November 1 of the immediately preceding calendar year through April
 23 30. The other activity report shall be filed not later than November 30,
 24 covering the period from May 1 through October 31. The commission
 25 shall provide a copy of an activity report to a member of the general
 26 assembly at the request of the member.

27 (b) Subject to subsections (c) and (d), the commission shall impose
 28 a penalty of ~~ten one hundred~~ **dollars (\$10) (\$100)** per day for each day
 29 that the person fails to file any report required by this chapter until the
 30 report is filed.

31 (c) The penalty shall not exceed ~~one hundred four thousand five~~
 32 **hundred** dollars ~~(\$100)~~ **(\$4,500)** per report.

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

36 SECTION 17. IC 2-7-3-3 IS AMENDED TO READ AS FOLLOWS
 37 [EFFECTIVE NOVEMBER 1, 2010]: Sec. 3. (a) The activity reports
 38 of each lobbyist shall include the following **information:**

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

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

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- 1 (A) Compensation to others who perform lobbying services.
- 2 (B) Reimbursement to others who perform lobbying services.
- 3 (C) Receptions.
- 4 (D) Entertainment, including meals. ~~However, a function to~~
- 5 ~~which the entire general assembly is invited is not lobbying~~
- 6 ~~under this article.~~
- 7 (E) Gifts made to an employee of the general assembly or a
- 8 member of the immediate family of an employee of the general
- 9 assembly; **a legislative person.**
- 10 (3) **Subject to section 3.5 of this chapter,** a statement of
- 11 expenditures and gifts each:
 - 12 (A) **expenditure for entertainment (including meals and**
 - 13 **drink); or**
 - 14 (B) **gift;**
 - 15 that equal ~~one hundred equals fifty~~ dollars ~~(\$100)~~ **(\$50)** or more
 - 16 in one (1) day, or **expenditures for entertainment (including**
 - 17 **meals and drink) or gifts** that together total more than ~~five two~~
 - 18 ~~hundred fifty~~ dollars ~~(\$500)~~ **(\$250)** during the calendar year, if
 - 19 the expenditures and gifts are made by the ~~registrant lobbyist~~ or
 - 20 ~~his the lobbyist's~~ agent to benefit **a specific legislative person.**
 - 21 (A) a member of the general assembly;
 - 22 (B) an officer of the general assembly;
 - 23 (C) an employee of the general assembly; or
 - 24 (D) a member of the immediate family of anyone included in
 - 25 clause (A), (B), or (C).
 - 26 (4) ~~Whenever a lobbyist makes an expenditure that is for the~~
 - 27 ~~benefit of all of the members of the general assembly on a given~~
 - 28 ~~occasion, the total amount expended shall be reported, but the~~
 - 29 ~~lobbyist shall not prorate the expenditure among each member of~~
 - 30 ~~the general assembly.~~
 - 31 (5) ~~(4)~~ A list of the general subject matter of each bill or
 - 32 resolution concerning which a lobbying effort was made within
 - 33 the registration period.
 - 34 (6) ~~The name of the beneficiary of each expenditure or gift made~~
 - 35 ~~by the lobbyist or his agent that is required to be reported under~~
 - 36 ~~subdivision (3).~~
 - 37 (7) ~~(5)~~ The name of each member of the general assembly from
 - 38 whom the lobbyist has received an affidavit required under
 - 39 IC 2-2.1-3-3.5.
 - 40 (b) In the second semiannual report, when total amounts are
 - 41 required to be reported, totals shall be stated both for the period
 - 42 covered by the statement and for the entire reporting year.

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

15 **(d) A report of an expenditure under subsection (a)(3) must**
 16 **state the following information:**

- 17 (1) **The name of the lobbyist making the expenditure.**
- 18 (2) **A description of the expenditure.**
- 19 (3) **The amount of the expenditure.**

20 SECTION 18. IC 2-7-3-3.3 IS ADDED TO THE INDIANA CODE
 21 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 22 NOVEMBER 1, 2010]: **Sec. 3.3. (a) A lobbyist shall file a written**
 23 **report whenever the lobbyist makes a gift with respect to a**
 24 **legislative person that is required to be included in a report under**
 25 **section 3(a)(3) of this chapter.**

26 **(b) A report under this section must state the following:**

- 27 (1) **The name of the lobbyist making the gift.**
- 28 (2) **A description of the gift.**
- 29 (3) **The amount of the gift.**

30 **(c) A lobbyist shall file a copy of a report required by this**
 31 **section with all the following:**

- 32 (1) **The commission.**
- 33 (2) **The legislative person with respect to whom the report is**
 34 **made.**
- 35 (3) **The principal clerk of the house of representatives, if the**
 36 **legislative person is a member of, or a candidate for election**
 37 **to, the house of representatives.**
- 38 (4) **The secretary of the senate, if the legislative person is a**
 39 **member of, or candidate for election to, the senate.**

40 **(d) A lobbyist shall file a report required by this section not**
 41 **later than fifteen (15) business days after making the gift. A report**
 42 **filed under this section is confidential and is not available for**

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public inspection or copying until ten (10) business days after the report is filed with the commission.

(e) Not later than January 7 each year, the commission shall provide to each member and candidate a written compilation of all reports filed under subsection (c) relating to that member or candidate. The compilation must provide the following information to the member or candidate for each gift reported under subsection (c):

- (1) A description of the gift.
- (2) The amount of the gift.
- (3) The name of the lobbyist making the gift.

SECTION 19. IC 2-7-3-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: Sec. 3.5. (a) If an expenditure for entertainment (including meals and drink) or a gift can clearly and reasonably be attributed to a particular legislative person, the expenditure must be reported with respect to that particular legislative person.

(b) A report of an expenditure with respect to a particular legislative person:

- (1) must report actual amounts; and
- (2) may not allocate to the particular legislative person a prorated amount derived from an expense made with respect to several legislative persons;

to the extent practicable.

(c) An activity report must report expenditures for a function or activity to which all the members of a legislative body are invited. Expenditures reported for a function or activity described in this subdivision may not be allocated and reported with respect to a particular legislative person.

(d) If two (2) or more lobbyists contribute to an expenditure, each lobbyist shall report the actual amount the lobbyist contributed to the expenditure. For purposes of reporting such an expenditure, the following apply:

- (1) For purposes of determining whether the expenditure is reportable, the total amount of the expenditure must be determined and not the amount that each lobbyist contributed to the expenditure.
- (2) Each lobbyist shall report the actual amount the lobbyist contributed to the expenditure, even if that amount would not have been reportable under this section if only one (1) lobbyist made an expenditure of that amount.

(e) The report of an expenditure with respect to a particular

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1 legislative person may not include any amount that the particular
2 legislative person contributed to the expenditure.

3 (f) An activity report may not report expenditures or gifts
4 relating to property or services received by a legislative person if
5 the legislative person paid for the property or services the amount
6 that would be charged to any purchaser of the property or services
7 in the ordinary course of business.

8 (g) An activity report may not report expenditures or gifts made
9 between close relatives unless the expenditure or gift is made in
10 connection with a legislative action.

11 (h) An activity report may not report expenditures or gifts
12 relating to the performance of a legislative person's official duties,
13 including the legislative person's service as a member of any of the
14 following:

- 15 (1) The legislative council.
- 16 (2) The budget committee.
- 17 (3) A standing or other committee established by the rules of
- 18 the house of representatives or the senate.
- 19 (4) A study committee established by statute or by the
- 20 legislative council.
- 21 (5) A statutory board or commission.

22 (i) An activity report may not report a contribution (as defined
23 in IC 3-5-2-15).

24 SECTION 20. IC 2-7-3-7 IS ADDED TO THE INDIANA CODE
25 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
26 NOVEMBER 1, 2010]: Sec. 7. (a) This section does not apply to a
27 purchase by a lobbyist from a member's or candidate's business
28 made in the ordinary course of business at prices that are available
29 to the general public.

30 (b) As used in this section, "purchase" refers to a purchase of
31 goods or services for which the lobbyist paid more than one
32 hundred dollars (\$100) from any of the following:

- 33 (1) A member or candidate.
- 34 (2) A member's or candidate's sole proprietorship.
- 35 (3) A member's or candidate's family business, regardless of
- 36 the manner of the family business's legal organization.

37 (c) A lobbyist shall file a written report with respect to a
38 member or candidate whenever the lobbyist makes a purchase.

39 (d) A report required by this section must state the following:

- 40 (1) The name of the lobbyist making the purchase.
- 41 (2) A description of the purchase.
- 42 (3) The amount of the purchase.

43 (e) A lobbyist shall file a copy of a report required by this

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section with all the following:

- (1) The commission.**
- (2) The member or candidate with respect to whom the report is made.**
- (3) The principal clerk of the house of representatives, if the member or candidate is a member of, or a candidate for election to, the house of representatives.**
- (4) The secretary of the senate, if the member or candidate is a member of, or candidate for election to, the senate.**

(f) A lobbyist shall file a report required by this section not later than fifteen (15) business days after making the purchase. A report filed under this section is confidential and is not available for public inspection or copying until ten (10) business days after the report is filed with the commission.

(g) Not later than January 7 each year, the commission shall provide to each member and candidate a written compilation of all reports filed under subsection (e) relating to that member or candidate. The compilation must provide the following information to the member or candidate for each purchase:

- (1) A description of the purchase.**
- (2) The amount of the purchase.**
- (3) The name of the lobbyist making the purchase.**

SECTION 21. IC 2-7-4-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: Sec. 5.5. (a) The commission shall make copies of all the following available on the Internet:

- (1) Reports, statements, other documents required to be filed under this article.**
- (2) Manuals, indices, summaries, and other documents the commission is required to compile, publish, or maintain under this article.**

(b) The commission shall make copies of all reports required to be made by legislative liaisons under IC 5-14-7 available on the Internet.

SECTION 22. IC 2-7-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: Sec. 6. (a) The commission shall inspect and audit at least five percent (5%) of all registration statements and reports filed with the commission under this chapter by requiring the registrant lobbyist to produce verifying documents. The statements and reports inspected and audited shall be selected at random by a computer random number generator. Nothing in this chapter shall be construed as prohibiting the commission from

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1 inspecting and auditing any statement or report if the commission has
2 reason to believe that a violation of this chapter may have occurred.

3 (b) Verifying documents under this section while in the possession
4 of the commission are confidential.

5 SECTION 23. IC 2-7-5-1 IS AMENDED TO READ AS FOLLOWS
6 [EFFECTIVE NOVEMBER 1, 2011]: Sec. 1. ~~It is unlawful for any A~~
7 legislative ~~official to~~ **person may not** receive compensation or
8 reimbursement other than from the state for personally engaging in
9 lobbying.

10 SECTION 24. IC 2-7-5-7 IS ADDED TO THE INDIANA CODE
11 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE
12 UPON PASSAGE]: Sec. 7. **(a) This section applies to an individual**
13 **who serves as a member of the general assembly after December**
14 **31, 2009.**

15 **(b) After December 31, 2011, an individual described in**
16 **subsection (a) may not be:**

- 17 **(1) registered as a lobbyist under this article; or**
- 18 **(2) employed as a legislative liaison;**

19 **during the period described in subsection (c).**

20 **(c) The period referred to in subsection (b):**

- 21 **(1) begins on the day the individual ceases to be a member of**
22 **the general assembly; and**
- 23 **(2) ends three hundred sixty-five (365) days after the date the**
24 **individual ceases to be a member of the general assembly.**

25 **(d) Notwithstanding subsection (b), an individual described in**
26 **subsection (a) who is a candidate for nomination for election to the**
27 **general assembly in 2010 may not be:**

- 28 **(1) registered as a lobbyist under this article; or**
- 29 **(2) employed as a legislative liaison;**

30 **before January 1, 2012.**

31 SECTION 25. IC 2-7-5-8 IS ADDED TO THE INDIANA CODE
32 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE
33 NOVEMBER 1, 2010]: Sec. 8. **(a) This section does not apply to gifts**
34 **made between close relatives.**

35 **(b) A lobbyist may not make a gift with a value of fifty dollars**
36 **(\$50) or more to a legislative person unless the lobbyist receives the**
37 **consent of the legislative person before the gift is made. The**
38 **lobbyist must inform the particular legislative person of the cost of**
39 **the gift at the time the lobbyist seeks the consent of the legislative**
40 **person.**

41 SECTION 26. IC 2-7-5-9 IS ADDED TO THE INDIANA CODE
42 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE

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1 NOVEMBER 1, 2010]: **Sec. 9. (a) This section does not apply to the**
2 **following:**

3 (1) Expenses associated with travel outside Indiana for any
4 purpose that is paid for by an organization or corporation of
5 which the legislative person or the legislative person's spouse
6 is an officer, member of the board of directors, employee, or
7 independent contractor.

8 (2) Travel expenses of a legislative person attending a public
9 policy meeting if:

10 (A) the legislative person's sole purpose for attending the
11 meeting is to serve as a speaker or other key participant in
12 the meeting; and

13 (B) the speaker of the house of representatives or the
14 president pro tempore of the senate approves the payment
15 of the travel expenses in writing.

16 (b) As used in this section, "travel expenses" includes expenses
17 for transportation, lodging, meals, registration fees, and other
18 expenses associated with travel.

19 (c) Except as provided in subsection (a), a lobbyist may not pay
20 or reimburse for transportation, lodging, meals, registration fees,
21 or other expenses associated with the travel of a legislative person
22 outside Indiana for any purpose.

23 SECTION 27. IC 2-7-5-10 IS ADDED TO THE INDIANA CODE
24 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
25 1, 2010]: **Sec. 10. (a) Except as provided in subsection (c), this**
26 **section does not apply to a lobbyist if the lobbyist's activity under**
27 **this chapter is governed by the Rules of Professional Conduct of**
28 **the Indiana supreme court.**

29 (b) As used in this section, "conflict of interest" means a
30 circumstance where:

31 (1) the representation of a client will be directly adverse to
32 another client; or

33 (2) there is a significant risk that the representation of one (1)
34 or more clients will be materially limited by the lobbyist's
35 responsibilities to:

36 (A) another client; or

37 (B) a personal interest of the lobbyist.

38 (c) A lobbyist shall file with the commission a written statement
39 that describes the procedures that the lobbyist and the lobbyist's
40 client will follow if the lobbyist or the client determines at any time
41 that the lobbyist's representation of the client might involve a
42 conflict of interest. The lobbyist shall file the statement with the
43 commission at the time the lobbyist files the lobbyist's annual

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1 registration statement under IC 2-7-2. If the lobbyist's activity
2 under this chapter is governed by the Rules of Professional
3 Conduct of the Indiana supreme court, the lobbyist shall file a
4 statement to that effect with the commission.

5 (d) The statement filed under subsection (c) must be included in
6 the agreement between the lobbyist and the client for the lobbyist's
7 services as a lobbyist.

8 (e) A lobbyist may not represent a client if the representation
9 involves a conflict of interest except as is provided in the statement
10 filed by the lobbyist under subsection (c).

11 SECTION 28. IC 2-7-6-3 IS AMENDED TO READ AS FOLLOWS
12 [EFFECTIVE NOVEMBER 1, 2010]: Sec. 3. ~~Whoever~~ A person who
13 knowingly or intentionally makes a false report under this chapter
14 article that overstates or understates the amount of any or all
15 expenditures or gifts **an expenditure or gift** commits a Class D felony.

16 SECTION 29. IC 2-7-6-6 IS AMENDED TO READ AS FOLLOWS
17 [EFFECTIVE NOVEMBER 1, 2010]: Sec. 6. (a) The commission may
18 impose either or both of the following sanctions if, after a hearing
19 under IC 4-21.5-3, the commission finds that a lobbyist failed to file a
20 report with a ~~member of the general assembly~~ **a legislative person**
21 required by ~~IC 2-7-3-6~~ **IC 2-7-3-3.3 or IC 2-7-3-7**:

- 22 (1) Revoke the registration of the lobbyist.
- 23 (2) Assess a civil penalty against the lobbyist. A civil penalty
24 assessed under this subdivision may not be more than five
25 hundred dollars (\$500).

26 (b) In imposing sanctions under subsection (a), the commission
27 shall consider the following:

- 28 (1) Whether the failure to file the report was willful or negligent.
- 29 (2) Any mitigating circumstances.

30 SECTION 30. IC 3-9-2-12 IS AMENDED TO READ AS
31 FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 12. (a) This section
32 does not apply to:

- 33 (1) a member of the general assembly; or
- 34 (2) a candidate's committee of a member of the general assembly;
35 with respect to an office other than a legislative office **or a state office**
36 to which the member seeks election.

37 (b) As used in this section, "affected person" refers to any of the
38 following:

- 39 (1) An individual who holds a legislative office.
- 40 (2) A candidate for a legislative office.
- 41 **(3) An individual who holds a state office.**
- 42 **(4) A candidate for a state office.**

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- 1 (c) As used in this section, "prohibited period" means the period:
- 2 (1) beginning on the day in January in each odd-numbered year
- 3 the general assembly reconvenes under IC 2-2.1-1-2; and
- 4 (2) through the day the general assembly adjourns sine die in an
- 5 odd-numbered year under IC 2-2.1-1-2.

6 (d) During the prohibited period, an affected person, an affected
 7 person's candidate's committee, and a legislative caucus committee may
 8 not do any of the following:

- 9 (1) Solicit campaign contributions.
- 10 (2) Accept campaign contributions.
- 11 (3) Conduct other fundraising activities. This subdivision does not
- 12 prohibit an affected person from participating in party activities
- 13 conducted by a regular party committee.

14 SECTION 31. IC 3-9-5-3 IS AMENDED TO READ AS FOLLOWS
 15 [EFFECTIVE JANUARY 1, 2011]: Sec. 3. (a) A candidate for
 16 legislative office and the candidate's committee shall file each report,
 17 notice, or other instrument required by this article with the election
 18 division. ~~The candidate and committee shall also file a duplicate copy~~
 19 ~~with the county election board of the county in which the candidate~~
 20 ~~resides:~~

21 (b) **The circuit court clerk shall, at the request of any person,**
 22 **furnish the person a copy of a report, notice, or other instrument**
 23 **required by this article for a candidate for a legislative office from**
 24 **electronic records maintained on the secretary of state's or**
 25 **election's division's web site. The circuit court clerk shall charge**
 26 **for a copy of records furnished under this subsection as provided**
 27 **in IC 5-14-3.**

28 SECTION 32. IC 4-2-6-15 IS ADDED TO THE INDIANA CODE
 29 AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE
 30 UPON PASSAGE]: Sec. 15. (a) **This section does not apply to the**
 31 **following:**

- 32 (1) **A communication made by the governor concerning the**
- 33 **public health or safety.**
- 34 (2) **A communication:**
- 35 (A) **that a compelling public policy reason justifies the state**
- 36 **officer to make; and**
- 37 (B) **the expenditure for which is approved by the budget**
- 38 **agency after an advisory recommendation from the budget**
- 39 **committee.**

40 (b) **This section does not prohibit a state officer from using in a**
 41 **communication the title of the office the state officer holds.**

42 (c) As used in this section, "communication" refers only to the

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following:

- (1) An audio communication.
- (2) A video communication.
- (3) A print communication in a newspaper (as defined in IC 5-3-1-0.4).

(d) A state officer may not use the state officer's name or likeness in a communication paid for entirely or in part with appropriations made by the general assembly, regardless of the source of the money.

SECTION 33. IC 5-14-7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]:

Chapter 7. Legislative Liaisons

Sec. 1. Except as provided in section 2 of this chapter, the definitions in the following apply in this chapter:

- (1) IC 2-7-1.
- (2) IC 4-2-6-1.

Sec. 2. As used in this chapter, "commission" refers to the Indiana lobby registration commission established by IC 2-7-1.6.

Sec. 3. As used in this chapter, "legislative liaison" refers to an employee of either of the following who receives at least ten percent (10%) of the individual's annual compensation to engage in lobbying:

- (1) An agency.
- (2) A state educational institution (as defined in IC 21-7-13-32).

Sec. 4. (a) An agency or state educational institution that employs a legislative liaison shall annually file a report stating each:

- (1) expenditure for entertainment (including meals and drink); or
- (2) gift;

that equals fifty dollars (\$50) or more in one (1) day, or expenditures for entertainment (including meals and drink) or gifts that together total more than two hundred fifty dollars (\$250) during the calendar year.

(b) A report under this section may not include the following:

- (1) Items provided under a statute or from a state agency for redistribution to constituents.
- (2) Items provided during the performance of a legislative person's official duties, including the legislative person's service as a member of any of the following:

- (A) The legislative council.

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1 **(B) The budget committee.**
 2 **(C) A standing or other committee established by the rules**
 3 **of the house of representatives or the senate.**
 4 **(D) A study committee established by statute or by the**
 5 **legislative council.**
 6 **(E) A statutory board or commission.**
 7 **(3) A scholarship, student employment, or other financial aid**
 8 **granted to a legislative person for attendance at a state**
 9 **educational institution.**
 10 **Sec. 5. (a) A report required by this chapter shall:**
 11 **(1) be filed with the commission not later than November 30**
 12 **of each year; and**
 13 **(2) cover the period from November 1 of the previous year**
 14 **through October 31 of the year in which the report is filed.**
 15 **(b) The first report required by this chapter shall:**
 16 **(1) be filed with the commission not later than November 30,**
 17 **2011; and**
 18 **(2) cover the period from November 1, 2010 through October**
 19 **31, 2011.**
 20 **Sec. 6. If a legislative liaison has no expenditures to report for**
 21 **any legislative person, a statement of that fact is required and is**
 22 **sufficient to comply with the reporting requirements of this**
 23 **chapter.**
 24 **Sec. 7. (a) The commission shall post reports received under this**
 25 **chapter on the commission's web site.**
 26 **(b) If the commission does not receive a report from an agency**
 27 **or a state educational institution under this chapter, the**
 28 **commission shall notify the agency or state educational institution**
 29 **and post a copy of the notice on the commission's web site.**
 30 **SECTION 34. THE FOLLOWING ARE REPEALED [EFFECTIVE**
 31 **JANUARY 1, 2011]: IC 2-7-1-1.5; IC 2-7-1-15; IC 2-7-1-17;**
 32 **IC 2-7-3-6.**
 33 **SECTION 35. An emergency is declared for this act.**

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COMMITTEE REPORT

Madam President: The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 114, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 6, line 28, delete "eighteen" and insert "**nine**".

Page 6, line 29, delete "(\$18,000)." and insert "**(\$9,000).**".

Page 7, line 3, delete "eighteen" and insert "**nine**".

Page 7, line 4, delete "(\$18,000)" and insert "**(\$9,000)**".

Page 7, delete lines 8 through 42, begin a new paragraph and insert: "SECTION 16. IC 2-7-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 3. (a) The activity reports of each lobbyist shall include the following **information**:

(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) **(2) Subject to section 3.5 of this chapter, a statement of expenditures and gifts each expenditure that equal one hundred equals fifty dollars (~~\$100~~) (\$50) or more in one (1) day, or expenditures that together total more than five 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 a specific applicable individual.**

(A) **a member of the general assembly;**

(B) **an officer of the general assembly;**

(C) **an employee of the general assembly; or**

(D) **a member of the immediate family of anyone included in clause (A), (B), or (C):**

(4) **Whenever a lobbyist makes an expenditure that is for the benefit of all of the members of the general assembly on a given occasion, the total amount expended shall be reported, but the**

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lobbyist shall not prorate the expenditure among each member of the general assembly.

(3) Subject to section 3.5 of this chapter, a statement of general expenditures.

~~(5)~~ **(4)** A list of the general subject matter of each bill or resolution concerning which a lobbying effort was made within the registration period.

~~(6)~~ **The name of the beneficiary of each expenditure or gift made by the lobbyist or his agent that is required to be reported under subdivision (3):**

~~(7)~~ **(5)** The name of each member of the general assembly from whom the lobbyist has received an affidavit required under IC 2-2.1-3-3.5.

(b) In the second semiannual report, when total amounts are required to be reported, totals shall be stated both for the period covered by the statement and for the entire reporting year.

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

(1) Overhead costs.

(2) Charges for any of the following:

(A) Postage.

(B) Express mail service.

(C) Stationery.

(D) Facsimile transmissions.

(E) Telephone calls.

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

(4) Expenditures for leasing or renting an office.

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

SECTION 17. IC 2-7-3-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2011]: **Sec. 3.5. The following rules apply to reporting expenditures:**

(1) If an expenditure can clearly and reasonably be attributed to a particular applicable individual, the expenditure must be reported with respect to that particular individual and may not be included as part of a general expenditure.

(2) A report of an expenditure with respect to a particular applicable individual:

(A) must report actual amounts to the extent practicable; and

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(B) may not allocate to the particular applicable individual a prorated amount derived from an expense made with respect to several applicable individuals.

(3) The report of an expenditure with respect to a particular applicable individual may not include any amount that the particular applicable individual contributed to the expenditure.

(4) If an expenditure cannot clearly and reasonably be attributed to a particular applicable individual, the expenditure must be reported as a general expenditure in one (1) of the following categories:

(A) Compensation to others who perform lobbying services.

(B) Reimbursement to others who perform lobbying services.

(C) Payment for the cost of receptions, entertainment, and meals.

(D) Gifts.

(E) Any other category that the commission prescribes by rule.

(5) An activity report must report expenditures for a function or activity to which any of the following are invited:

(A) All members.

(B) All members of a standing or other committee established by the rules of the house of representatives or the senate.

(C) All members of a study committee established by statute or by the legislative council.

Expenditures reported for a function or activity described in this subdivision may not be allocated and reported with respect to a particular applicable individual unless the particular expenditure can clearly and reasonably be allocated to the particular applicable individual.

(6) If two (2) or more lobbyists contribute to an expenditure, each lobbyist shall report the actual amount the lobbyist contributed to the expenditure. For purposes of reporting such an expenditure, the following apply:

(A) For purposes of determining whether the expenditure is reportable, the total amount of the expenditure must be determined and not the amount that each lobbyist contributed to the expenditure.

(B) Each lobbyist shall report the actual amount the lobbyist contributed to the expenditure, even if that

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amount would not have been reportable under this section if only one (1) lobbyist made an expenditure of that amount.

(7) A report of an expenditure is not required to include the cost of any of the following:

- (A) Overhead.
- (B) Postage.
- (C) Express mail service.
- (D) Stationery.
- (E) Facsimile transmissions.
- (F) Telephone calls.
- (G) The personal services of clerical and other support staff persons who are not lobbyists.
- (H) Leasing or renting an office.
- (I) Lodging, meals, and other personal expenses of the lobbyist."

Delete page 8.

Page 9, delete lines 1 through 14.

Page 10, line 2, delete "seven (7)" and insert "**fifteen (15)**".

Page 10, line 32, delete "seven (7)" and insert "**fifteen (15)**".

Page 11, line 39, after "made." insert "**The lobbyist must inform the particular applicable individual the cost of the expenditure at the time the lobbyist seeks the consent of the particular individual.**".

Page 24, line 5, after "to" delete "a" and insert "**the following:**

- (1) **A communication made by the governor concerning the public health or safety.**
- (2) **A communication:**
 - (A) **that a compelling public policy reason justifies the state officer to make; and**
 - (B) **the expenditure for which is approved by the budget agency after an advisory recommendation from the budget committee.**".

Page 24, delete lines 6 through 7.

Page 24, delete lines 20 through 42.

Delete page 25.

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Page 26, delete lines 1 through 9.
Re-number all SECTIONS consecutively.
and when so amended that said bill do pass.
(Reference is to SB 114 as introduced.)

LONG, Chairperson

Committee Vote: Yeas 12, Nays 0.

SENATE MOTION

Madam President: I move that Senate Bill 114 be amended to read as follows:

Page 3, delete line 42, begin a new paragraph and insert:

"SECTION 2. IC 2-2.1-3-9.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 9.5. (a) As used in this section, "honorarium" means a payment of money for an appearance or a speech. The term does not include payment or reimbursement of travel expenses.**

(b) A member of the general assembly may not receive an honorarium for an appearance or a speech made or given in the member's capacity as a legislator.

SECTION 3. IC 2-2.1-3-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 12. The following constitute disorderly behavior and may be punished by the house of representatives or senate as provided in Article 4, Section 14 of the Constitution of the State of Indiana:**

(1) Willful failure to file a required statement by the deadline prescribed in this chapter or knowingly filing a false statement or violation of section 9 or 10 of this chapter. ~~shall constitute disorderly behavior and may be punished by the house or senate as provided in Article 4, Section 14 of the Constitution of the State of Indiana.~~

(2) Knowing violation of section 9.5 of this chapter.

SECTION 4. IC 2-7-1-0.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: **Sec. 0.1. The definitions in this chapter apply throughout this article.**

SECTION 5. IC 2-7-1-1.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: **Sec. 1.3. "Candidate" refers to a candidate**

SB 114—LS 6516/DI 75+

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for election to the general assembly.

SECTION 6. IC 2-7-1-1.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: **Sec. 1.7. (a) "Close relative" of an individual refers to any of the following:**

- (1) The individual's spouse.
- (2) A parent of the individual or a parent of the individual's spouse.
- (3) A child of the individual or a child of the individual's spouse.
- (4) A sibling of the individual or a sibling of the individual's spouse.
- (5) An aunt or an uncle of the individual or an aunt or uncle of the individual's spouse.
- (6) A niece or nephew of the individual or a niece or nephew of the individual's spouse.
- (7) A grandparent of the individual or a grandparent of the individual's spouse.
- (8) A grandchild of the individual or a grandchild of the individual's spouse.
- (9) A great-grandparent of the individual or a great-grandparent of the individual's spouse.
- (10) A great-grandchild of the individual or a great-grandchild of the individual's spouse.

(b) A relative by adoption, half-blood, marriage, or remarriage is considered as a relative of whole kinship.

SECTION 7. IC 2-7-1-1.9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: **Sec. 1.9. "Commission" refers to the Indiana lobby registration commission established by IC 2-7-1.6-1.**

SECTION 8. IC 2-7-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: **Sec. 4. (a) "Gift" means the voluntary transfer of anything of value without consideration.**

(b) The term does not include any of the following:

- (1) A gift received from a relative within the third degree of kinship of the person or of the person's spouse; or from the spouse of any such relative;
- (2) a contribution (as defined in IC 3-5-2-15).

SECTION 9. IC 2-7-1-7.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: **Sec. 7.2. "Legislative body" refers to any of the following:**

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- (1) **The general assembly.**
- (2) **The house of representatives.**
- (3) **The senate.**
- (4) **A standing or other committee established by the rules of the house of representatives or the senate.**
- (5) **A committee established by statute or by the legislative council. An individual who:**
 - (A) **is a member of a committee described in this subdivision; and**
 - (B) **is not a member of the general assembly;****is not considered to be a member of a legislative body for purposes of this article.**
- (6) **A caucus of the house of representatives or the senate.**

SECTION 10. IC 2-7-1-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: **Sec. 7.5. "Legislative liaison" has the meaning set forth in IC 5-14-7-3.**

SECTION 11. IC 2-7-1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: **Sec. 8. "Legislative official" person" means any of the following:**

- (1) **A member of the general assembly; or any**
- (2) **A candidate.**
- (3) **An officer of the general assembly.**
- (4) **An employee of the general assembly.**
- (5) **A member of the immediate family of anyone described in subdivision (1), (2), (3), or (4). A lobbyist who is a close relative of a legislative person is not considered a legislative person.**
- (6) **A paid consultant of the general assembly. or**
- (7) **An agency of the general assembly.**

SECTION 12. IC 2-7-1-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: **Sec. 9. "Lobbying" means communicating by any means, or paying others to communicate by any means, with any legislative official person with the purpose of influencing any legislative action.**

SECTION 13. IC 2-7-1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: **Sec. 10. (a) "Lobbyist" means any person who:**

- (1) **engages in lobbying; and**
- (2) **in any registration year, receives or expends an aggregate of at least five hundred dollars (\$500) in compensation or expenditures reportable under this article for lobbying, whether**

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the compensation or expenditure is solely for lobbying or the lobbying is incidental to that individual's regular employment.

(b) The following are not considered lobbyists:

- (1) A public employee or public official.**
- (2) The National Conference of State Legislatures.**
- (3) The National Conference of Insurance Legislators.**
- (4) The American Legislative Exchange Council.**
- (5) Women in Government.**
- (6) The Council of State Governments.**
- (7) The National Black Caucus of State Legislators.**
- (8) Any other national organization established for the education and support of legislators, legislative staff, or related government employees.**

SECTION 14. IC 2-7-1-10.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: **Sec. 10.5. "Member", except as used in IC 2-7-3-3(a) and IC 2-7-7-8, refers to a member of the general assembly.**

SECTION 15. IC 2-7-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: Sec. 2. (a) Each registration statement shall be filed not later than January 15 or within fifteen (15) days after ~~the registrant~~ **a person** becomes a lobbyist, whichever is later. Each registration statement expires on December 31 of the year for which it was issued. The commission may accept registration statements before January 1 of the year to which they apply, as the commission determines.

(b) Subject to subsections (c) and (d), the commission shall impose a late registration fee of ~~ten one hundred~~ **(\$10) (\$100)** per day for each day after the deadline until the statement is filed.

(c) The late registration fee shall not exceed ~~one hundred four thousand five hundred~~ **(\$100). (\$4,500).**

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

SECTION 16. IC 2-7-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: Sec. 2. (a) One (1) activity report shall be filed not later than May 31, covering the period from November 1 of the immediately preceding calendar year through April 30. The other activity report shall be filed not later than November 30, covering the period from May 1 through October 31. The commission shall provide a copy of an activity report to a member of the general assembly at the request of the member.



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(b) Subject to subsections (c) and (d), the commission shall impose a penalty of ~~ten one hundred~~ **dollars (\$100)** 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~~ **four thousand five hundred** dollars ~~(\$100)~~ **(\$4,500)** per report.

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

SECTION 17. IC 2-7-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: Sec. 3. (a) The activity reports of each lobbyist shall include the following **information**:

(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: **a legislative person.**

(3) **Subject to section 3.5 of this chapter**, a statement of expenditures and gifts each:

(A) **expenditure for entertainment (including meals and drink); or**

(B) **gift;**

that ~~equal one hundred~~ **equals fifty** dollars ~~(\$100)~~ **(\$50)** or more in one (1) day, or **expenditures for entertainment (including meals and drink) or gifts** that together total more than ~~five two hundred~~ **fifty** dollars ~~(\$500)~~ **(\$250)** during the calendar year, if the expenditures and gifts are made by the **registrant lobbyist** or ~~his the lobbyist's~~ agent to benefit **a specific legislative person.**

(A) ~~a member of the general assembly;~~

(B) ~~an officer of the general assembly;~~

(C) ~~an employee of the general assembly; or~~

(D) ~~a member of the immediate family of anyone included in clause (A); (B); or (C).~~

(4) ~~Whenever a lobbyist makes an expenditure that is for the~~

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benefit of all of the members of the general assembly on a given occasion; the total amount expended shall be reported; but the lobbyist shall not prorate the expenditure among each member of the general assembly.

~~(5)~~ (4) A list of the general subject matter of each bill or resolution concerning which a lobbying effort was made within the registration period.

~~(6)~~ The name of the beneficiary of each expenditure or gift made by the lobbyist or his agent that is required to be reported under subdivision ~~(3)~~.

~~(7)~~ (5) The name of each member of the general assembly from whom the lobbyist has received an affidavit required under IC 2-2.1-3-3.5.

(b) In the second semiannual report, when total amounts are required to be reported, totals shall be stated both for the period covered by the statement and for the entire reporting year.

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

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

(d) A report of an expenditure under subsection (a)(3) must state the following information:

- (1) The name of the lobbyist making the expenditure.**
- (2) A description of the expenditure.**
- (3) The amount of the expenditure.**

SECTION 18. IC 2-7-3-3.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: **Sec. 3.3. (a) A lobbyist shall file a written report whenever the lobbyist makes a gift with respect to a legislative person that is required to be included in a report under section 3(a)(3) of this chapter.**

(b) A report under this section must state the following:

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- (1) The name of the lobbyist making the gift.
- (2) A description of the gift.
- (3) The amount of the gift.

(c) A lobbyist shall file a copy of a report required by this section with all the following:

- (1) The commission.
- (2) The legislative person with respect to whom the report is made.
- (3) The principal clerk of the house of representatives, if the legislative person is a member of, or a candidate for election to, the house of representatives.
- (4) The secretary of the senate, if the legislative person is a member of, or candidate for election to, the senate.

(d) A lobbyist shall file a report required by this section not later than fifteen (15) business days after making the gift. A report filed under this section is confidential and is not available for public inspection or copying until ten (10) business days after the report is filed with the commission.

(e) Not later than January 7 each year, the commission shall provide to each member and candidate a written compilation of all reports filed under subsection (c) relating to that member or candidate. The compilation must provide the following information to the member or candidate for each gift reported under subsection (c):

- (1) A description of the gift.
- (2) The amount of the gift.
- (3) The name of the lobbyist making the gift.

SECTION 19. IC 2-7-3-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: Sec. 3.5. (a) If an expenditure for entertainment (including meals and drink) or a gift can clearly and reasonably be attributed to a particular legislative person, the expenditure must be reported with respect to that particular legislative person.

(b) A report of an expenditure with respect to a particular legislative person:

- (1) must report actual amounts; and
- (2) may not allocate to the particular legislative person a prorated amount derived from an expense made with respect to several legislative persons;

to the extent practicable.

(c) An activity report must report expenditures for a function or activity to which all the members of a legislative body are invited.

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Expenditures reported for a function or activity described in this subdivision may not be allocated and reported with respect to a particular legislative person.

(d) If two (2) or more lobbyists contribute to an expenditure, each lobbyist shall report the actual amount the lobbyist contributed to the expenditure. For purposes of reporting such an expenditure, the following apply:

(1) For purposes of determining whether the expenditure is reportable, the total amount of the expenditure must be determined and not the amount that each lobbyist contributed to the expenditure.

(2) Each lobbyist shall report the actual amount the lobbyist contributed to the expenditure, even if that amount would not have been reportable under this section if only one (1) lobbyist made an expenditure of that amount.

(e) The report of an expenditure with respect to a particular legislative person may not include any amount that the particular legislative person contributed to the expenditure.

(f) An activity report may not report expenditures or gifts relating to property or services received by a legislative person if the legislative person paid for the property or services the amount that would be charged to any purchaser of the property or services in the ordinary course of business.

(g) An activity report may not report expenditures or gifts made between close relatives unless the expenditure or gift is made in connection with a legislative action.

(h) An activity report may not report expenditures or gifts relating to the performance of a legislative person's official duties, including the legislative person's service as a member of any of the following:

- (1) The legislative council.
- (2) The budget committee.
- (3) A standing or other committee established by the rules of the house of representatives or the senate.
- (4) A study committee established by statute or by the legislative council.
- (5) A statutory board or commission.

(i) An activity report may not report a contribution (as defined in IC 3-5-2-15).

SECTION 20. IC 2-7-3-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: Sec. 7. (a) This section does not apply to a purchase by a lobbyist from a member's or candidate's business

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made in the ordinary course of business at prices that are available to the general public.

(b) As used in this section, "purchase" refers to a purchase of goods or services for which the lobbyist paid more than one hundred dollars (\$100) from any of the following:

- (1) A member or candidate.
- (2) A member's or candidate's sole proprietorship.
- (3) A member's or candidate's family business, regardless of the manner of the family business's legal organization.

(c) A lobbyist shall file a written report with respect to a member or candidate whenever the lobbyist makes a purchase.

(d) A report required by this section must state the following:

- (1) The name of the lobbyist making the purchase.
- (2) A description of the purchase.
- (3) The amount of the purchase.

(e) A lobbyist shall file a copy of a report required by this section with all the following:

- (1) The commission.
- (2) The member or candidate with respect to whom the report is made.
- (3) The principal clerk of the house of representatives, if the member or candidate is a member of, or a candidate for election to, the house of representatives.
- (4) The secretary of the senate, if the member or candidate is a member of, or candidate for election to, the senate.

(f) A lobbyist shall file a report required by this section not later than fifteen (15) business days after making the purchase. A report filed under this section is confidential and is not available for public inspection or copying until ten (10) business days after the report is filed with the commission.

(g) Not later than January 7 each year, the commission shall provide to each member and candidate a written compilation of all reports filed under subsection (e) relating to that member or candidate. The compilation must provide the following information to the member or candidate for each purchase:

- (1) A description of the purchase.
- (2) The amount of the purchase.
- (3) The name of the lobbyist making the purchase.

SECTION 21. IC 2-7-4-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: **Sec. 5.5. (a) The commission shall make copies of all the following available on the Internet:**

- (1) Reports, statements, other documents required to be filed

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under this article.

(2) Manuals, indices, summaries, and other documents the commission is required to compile, publish, or maintain under this article.

(b) The commission shall make copies of all reports required to be made by legislative liaisons under IC 5-14-7 available on the Internet.

SECTION 22. IC 2-7-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: Sec. 6. (a) The commission shall inspect and audit at least five percent (5%) of all registration statements and reports filed with the commission under this chapter by requiring the ~~registrant~~ **lobbyist** to produce verifying documents. The statements and reports inspected and audited shall be selected at random by a computer random number generator. Nothing in this chapter shall be construed as prohibiting the commission from inspecting and auditing any statement or report if the commission has reason to believe that a violation of this chapter may have occurred.

(b) Verifying documents under this section while in the possession of the commission are confidential.

SECTION 23. IC 2-7-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2011]: Sec. 1. ~~It is unlawful for any A legislative official to~~ **person may not** receive compensation or reimbursement other than from the state for personally engaging in lobbying.

SECTION 24. IC 2-7-5-7 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. **(a) This section applies to an individual who serves as a member of the general assembly after December 31, 2009.**

(b) After December 31, 2011, an individual described in subsection (a) may not be:

- (1) registered as a lobbyist under this article; or**
- (2) employed as a legislative liaison;**

during the period described in subsection (c).

(c) The period referred to in subsection (b):

- (1) begins on the day the individual ceases to be a member of the general assembly; and**
- (2) ends three hundred sixty-five (365) days after the date the individual ceases to be a member of the general assembly.**

(d) Notwithstanding subsection (b), an individual described in subsection (a) who is a candidate for nomination for election to the general assembly in 2010 may not be:

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- (1) registered as a lobbyist under this article; or**
 - (2) employed as a legislative liaison;**
- before January 1, 2012.**

SECTION 25. IC 2-7-5-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: **Sec. 8. (a) This section does not apply to gifts made between close relatives.**

(b) A lobbyist may not make a gift with a value of fifty dollars (\$50) or more to a legislative person unless the lobbyist receives the consent of the legislative person before the gift is made. The lobbyist must inform the particular legislative person of the cost of the gift at the time the lobbyist seeks the consent of the legislative person.

SECTION 26. IC 2-7-5-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: **Sec. 9. (a) This section does not apply to the following:**

(1) Expenses associated with travel outside Indiana for any purpose that is paid for by an organization or corporation of which the legislative person or the legislative person's spouse is an officer, member of the board of directors, employee, or independent contractor.

(2) Travel expenses of a legislative person attending a public policy meeting if:

(A) the legislative person's sole purpose for attending the meeting is to serve as a speaker or other key participant in the meeting; and

(B) the speaker of the house of representatives or the president pro tempore of the senate approves the payment of the travel expenses in writing.

(b) As used in this section, "travel expenses" includes expenses for transportation, lodging, meals, registration fees, and other expenses associated with travel.

(c) Except as provided in subsection (a), a lobbyist may not pay or reimburse for transportation, lodging, meals, registration fees, or other expenses associated with the travel of a legislative person outside Indiana for any purpose.

SECTION 27. IC 2-7-5-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: **Sec. 10. (a) Except as provided in subsection (c), this section does not apply to a lobbyist if the lobbyist's activity under this chapter is governed by the Rules of Professional Conduct of**

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the Indiana supreme court.

(b) As used in this section, "conflict of interest" means a circumstance where:

(1) the representation of a client will be directly adverse to another client; or

(2) there is a significant risk that the representation of one (1) or more clients will be materially limited by the lobbyist's responsibilities to:

(A) another client; or

(B) a personal interest of the lobbyist.

(c) A lobbyist shall file with the commission a written statement that describes the procedures that the lobbyist and the lobbyist's client will follow if the lobbyist or the client determines at any time that the lobbyist's representation of the client might involve a conflict of interest. The lobbyist shall file the statement with the commission at the time the lobbyist files the lobbyist's annual registration statement under IC 2-7-2. If the lobbyist's activity under this chapter is governed by the Rules of Professional Conduct of the Indiana supreme court, the lobbyist shall file a statement to that effect with the commission.

(d) The statement filed under subsection (c) must be included in the agreement between the lobbyist and the client for the lobbyist's services as a lobbyist.

(e) A lobbyist may not represent a client if the representation involves a conflict of interest except as is provided in the statement filed by the lobbyist under subsection (c).

SECTION 28. IC 2-7-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: Sec. 3. ~~Whoever~~ **A person who** knowingly or intentionally makes a false report under this ~~chapter~~ **article** that overstates or understates the amount of ~~any or all~~ **expenditures or gifts an expenditure or gift** commits a Class D felony.

SECTION 29. IC 2-7-6-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]: Sec. 6. (a) The commission may impose either or both of the following sanctions if, after a hearing under IC 4-21.5-3, the commission finds that a lobbyist failed to file a report with ~~a member of the general assembly~~ **a legislative person** required by ~~IC 2-7-3-6~~ **IC 2-7-3-3.3 or IC 2-7-3-7**:

(1) Revoke the registration of the lobbyist.

(2) Assess a civil penalty against the lobbyist. A civil penalty assessed under this subdivision may not be more than five hundred dollars (\$500).

(b) In imposing sanctions under subsection (a), the commission

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shall consider the following:

- (1) Whether the failure to file the report was willful or negligent.
- (2) Any mitigating circumstances.

SECTION 30. IC 3-9-2-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2010]: Sec. 12. (a) This section does not apply to:

- (1) a member of the general assembly; or
- (2) a candidate's committee of a member of the general assembly; with respect to an office other than a legislative office **or a state office** to which the member seeks election.

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

- (1) An individual who holds a legislative office.
- (2) A candidate for a legislative office.
- (3) An individual who holds a state office.**
- (4) A candidate for a state office.**

(c) As used in this section, "prohibited period" means the period:

- (1) beginning on the day in January in each odd-numbered year the general assembly reconvenes under IC 2-2.1-1-2; and
- (2) through the day the general assembly adjourns sine die in an odd-numbered year under IC 2-2.1-1-2.

(d) During the prohibited period, an affected person, an affected person's candidate's committee, and a legislative caucus committee may not do any of the following:

- (1) Solicit campaign contributions.
- (2) Accept campaign contributions.
- (3) Conduct other fundraising activities. This subdivision does not prohibit an affected person from participating in party activities conducted by a regular party committee.

SECTION 31. IC 3-9-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2011]: Sec. 3. **(a)** A candidate for legislative office and the candidate's committee shall file each report, notice, or other instrument required by this article with the election division. ~~The candidate and committee shall also file a duplicate copy with the county election board of the county in which the candidate resides.~~

(b) The circuit court clerk shall, at the request of any person, furnish the person a copy of a report, notice, or other instrument required by this article for a candidate for a legislative office from electronic records maintained on the secretary of state's or election's division's web site. The circuit court clerk shall charge for a copy of records furnished under this subsection as provided

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in IC 5-14-3.

SECTION 32. IC 4-2-6-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 15. (a) This section does not apply to the following:**

(1) A communication made by the governor concerning the public health or safety.

(2) A communication:

(A) that a compelling public policy reason justifies the state officer to make; and

(B) the expenditure for which is approved by the budget agency after an advisory recommendation from the budget committee.

(b) This section does not prohibit a state officer from using in a communication the title of the office the state officer holds.

(c) As used in this section, "communication" refers only to the following:

(1) An audio communication.

(2) A video communication.

(3) A print communication in a newspaper (as defined in IC 5-3-1-0.4).

(d) A state officer may not use the state officer's name or likeness in a communication paid for entirely or in part with appropriations made by the general assembly, regardless of the source of the money.

SECTION 33. IC 5-14-7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE NOVEMBER 1, 2010]:

Chapter 7. Legislative Liaisons

Sec. 1. Except as provided in section 2 of this chapter, the definitions in the following apply in this chapter:

(1) IC 2-7-1.

(2) IC 4-2-6-1.

Sec. 2. As used in this chapter, "commission" refers to the Indiana lobby registration commission established by IC 2-7-1.6.

Sec. 3. As used in this chapter, "legislative liaison" refers to an employee of either of the following who receives at least ten percent (10%) of the individual's annual compensation to engage in lobbying:

(1) An agency.

(2) A state educational institution (as defined in IC 21-7-13-32).

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Sec. 4. (a) An agency or state educational institution that employs a legislative liaison shall annually file a report stating each:

- (1) expenditure for entertainment (including meals and drink); or**
- (2) gift;**

that equals fifty dollars (\$50) or more in one (1) day, or expenditures for entertainment (including meals and drink) or gifts that together total more than two hundred fifty dollars (\$250) during the calendar year.

(b) A report under this section may not include the following:

- (1) Items provided under a statute or from a state agency for redistribution to constituents.**
- (2) Items provided during the performance of a legislative person's official duties, including the legislative person's service as a member of any of the following:**
 - (A) The legislative council.**
 - (B) The budget committee.**
 - (C) A standing or other committee established by the rules of the house of representatives or the senate.**
 - (D) A study committee established by statute or by the legislative council.**
 - (E) A statutory board or commission.**

(3) A scholarship, student employment, or other financial aid granted to a legislative person for attendance at a state educational institution.

Sec. 5. (a) A report required by this chapter shall:

- (1) be filed with the commission not later than November 30 of each year; and**
- (2) cover the period from November 1 of the previous year through October 31 of the year in which the report is filed.**

(b) The first report required by this chapter shall:

- (1) be filed with the commission not later than November 30, 2011; and**
- (2) cover the period from November 1, 2010 through October 31, 2011.**

Sec. 6. If a legislative liaison has no expenditures to report for any legislative person, a statement of that fact is required and is sufficient to comply with the reporting requirements of this chapter.

Sec. 7. (a) The commission shall post reports received under this chapter on the commission's web site.

(b) If the commission does not receive a report from an agency

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or a state educational institution under this chapter, the commission shall notify the agency or state educational institution and post a copy of the notice on the commission's web site.

SECTION 34. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2011]: IC 2-7-1-1.5; IC 2-7-1-15; IC 2-7-1-17; IC 2-7-3-6.

SECTION 35. **An emergency is declared for this act."**

Delete pages 4 through 25.

Renumber all SECTIONS consecutively.

(Reference is to SB 114 as printed January 12, 2010.)

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