

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Rules and Legislative Procedure, to which was referred House Bill No. 1001, 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:

- 1 Page 1, line 2, delete "JULY 1, 2010" and insert "JANUARY 1,
- 2 2011".
- 3 Page 2, strike lines 24 through 33.
- 4 Page 2, line 34, strike "This subdivision does not apply to purchases
- 5 made".
- 6 Page 2, line 35, strike "by a lobbyist from a legislator's retail".
- 7 Page 2, strike lines 36 through 42.
- 8 Page 3, strike line 1.
- 9 Page 3, line 2, strike "in excess of".
- 10 Page 3, line 2, delete "fifty".
- 11 Page 3, line 2, strike "dollars".
- 12 Page 3, line 2, delete "(\$50)".
- 13 Page 3, strike lines 3 through 12.
- 14 Page 3, line 13, strike "(9)" and insert "(7)".
- 15 Page 3, line 21, strike "(10)" and insert "(8)".
- 16 Page 3, line 27, strike "(11)" and insert "(9)".
- 17 Page 3, delete lines 41 through 42, begin a new paragraph and
- 18 insert:
- 19 "SECTION 2. IC 2-2.1-3-9.5 IS ADDED TO THE INDIANA CODE
- 20 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 21 1, 2010]: **Sec. 9.5. (a) As used in this section, "honorarium" means**

1 **a payment of money for an appearance or a speech. The term does**
 2 **not include payment or reimbursement of travel expenses.**

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

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

11 (1) Willful failure to file a required statement by the deadline
 12 prescribed in this chapter or knowingly filing a false statement. ~~or~~

13 (2) **Knowing** violation of section 9, ~~9.5~~, or 10 of this chapter.
 14 ~~shall constitute disorderly behavior and may be punished by the~~
 15 ~~house or senate as provided in Article 4, Section 14 of the~~
 16 ~~Constitution of the State of Indiana.~~

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

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

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

29 (1) **The individual's spouse.**

30 (2) **A parent of the individual or a parent of the individual's**
 31 **spouse.**

32 (3) **A child of the individual or a child of the individual's**
 33 **spouse.**

34 (4) **A sibling of the individual or a sibling of the individual's**
 35 **spouse.**

36 (5) **An aunt or an uncle of the individual or an aunt or uncle**
 37 **of the individual's spouse.**

38 (6) **A niece or nephew of the individual or a niece or nephew**
 39 **of the individual's spouse.**

40 (7) **A grandparent of the individual or a grandparent of the**
 41 **individual's spouse.**

42 (8) **A grandchild of the individual or a grandchild of the**

1 **individual's spouse.**

2 **(9) A great-grandparent of the individual or a**
3 **great-grandparent of the individual's spouse.**

4 **(10) A great-grandchild of the individual or a**
5 **great-grandchild of the individual's spouse.**

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

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

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

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

16 ~~(1) A gift received from a relative within the third degree of~~
17 ~~kinship of the person or of the person's spouse; or from the spouse~~
18 ~~of any such relative.~~

19 ~~(2) a contribution (as defined in IC 3-5-2-15).~~

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

24 **(1) The general assembly.**

25 **(2) The house of representatives.**

26 **(3) The senate.**

27 **(4) A standing or other committee established by the rules of**
28 **the house of representatives or the senate.**

29 **(5) A committee established by statute or by the legislative**
30 **council. An individual who:**

31 **(A) is a member of a committee described in this**
32 **subdivision; and**

33 **(B) is not a member of the general assembly;**

34 **is not considered to be a member of a legislative body for**
35 **purposes of this article.**

36 **(6) A caucus of the house of representatives or the senate.**

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

41 SECTION 11. IC 2-7-1-8 IS AMENDED TO READ AS FOLLOWS
42 [EFFECTIVE NOVEMBER 1, 2010]: Sec. 8. "Legislative official"

1 **person" means any of the following:**

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

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

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

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

26 **(b) The following are not considered lobbyists:**

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

37 SECTION 14. IC 2-7-1-10.5 IS ADDED TO THE INDIANA CODE
 38 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 39 NOVEMBER 1, 2010]: Sec. 10.5. "Member", **except as used in**
 40 **section 8(5) of this chapter, IC 2-7-3-3(a) and IC 2-7-7-8, refers to**
 41 **a member of the general assembly.**

42 SECTION 15. IC 2-7-2-2 IS AMENDED TO READ AS FOLLOWS

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

8 (b) Subject to subsections (c) and (d), the commission shall impose
 9 a late registration fee of ~~ten not more than one hundred~~ dollars ~~(\$10)~~
 10 **(\$100)** per day for each day after the deadline until the statement is
 11 filed.

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

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

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

25 (b) Subject to subsections (c) and (d), the commission shall impose
 26 a penalty of ~~ten not more than one hundred~~ dollars ~~(\$10)~~ **(\$100)** per
 27 day for each day that the person fails to file any report required by this
 28 chapter until the report is filed.

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

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

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

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

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

41 (A) Compensation to others who perform lobbying services.

42 (B) Reimbursement to others who perform lobbying services.

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

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

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

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

18 SECTION 18. IC 2-7-3-3.3 IS ADDED TO THE INDIANA CODE
 19 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 20 NOVEMBER 1, 2010]: **Sec. 3.3. (a) This section does not apply to**
 21 **gifts made between close relatives.**

22 **(b) A lobbyist shall file a written report whenever the lobbyist**
 23 **makes a gift with respect to a legislative person that is required to**
 24 **be included in a report under section 3(a)(3) of this chapter.**

25 **(c) A report under this section must state the following:**

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

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

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

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

1 **(f) Not later than January 7 each year, the commission shall**
 2 **provide to each member and candidate a written compilation of all**
 3 **reports filed under subsection (d) relating to that member or**
 4 **candidate. The compilation must provide the following information**
 5 **to the member or candidate for each gift reported under subsection**
 6 **(d):**

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

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

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

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

23 **to the extent practicable.**

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

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

- 33 **(1) For purposes of determining whether the expenditure is**
 34 **reportable, the total amount of the expenditure with respect**
 35 **to a particular legislative person must be determined and not**
 36 **the amount that each lobbyist contributed to that expenditure.**
- 37 **(2) Each lobbyist shall report the actual amount the lobbyist**
 38 **contributed to the expenditure, even if that amount would not**
 39 **have been reportable under this section if only one (1) lobbyist**
 40 **made an expenditure of that amount.**

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

1 legislative person contributed to the expenditure.

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

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

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

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

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

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

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

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

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

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

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

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

1 **section with all the following:**

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

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

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

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

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

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

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

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

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 JANUARY 1, 2012]: **Sec. 7. (a) An individual who is a member of**
13 **the general assembly after December 31, 2011, may not be:**

14 (1) **registered as a lobbyist under this article; or**

15 (2) **employed as a legislative liaison;**

16 **during the period described in subsection (b).**

17 **(b) The period referred to in subsection (a):**

18 (1) **begins on the day the individual ceases to be a member of**
19 **the general assembly; and**

20 (2) **ends three hundred sixty-five (365) days after the date the**
21 **individual ceases to be a member of the general assembly.**

22 SECTION 25. IC 2-7-5-7.1 IS ADDED TO THE INDIANA CODE
23 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE
24 UPON PASSAGE]: **Sec. 7.1. (a) This section applies only to an**
25 **individual who is a:**

26 (1) **candidate for nomination for election to the general**
27 **assembly in 2010; or**

28 (2) **member of the general assembly on November 3, 2010.**

29 **(b) An individual described in subsection (a) may not be:**

30 (1) **registered as a lobbyist under this article; or**

31 (2) **employed as a legislative liaison;**

32 **before June 1, 2011.**

33 **(c) An individual described in subsection (a) may be registered**
34 **as a lobbyist after May 31, 2011.**

35 **(d) This section expires January 1, 2012.**

36 SECTION 26. IC 2-7-5-8 IS ADDED TO THE INDIANA CODE
37 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE
38 NOVEMBER 1, 2010]: **Sec. 8. (a) This section does not apply to gifts**
39 **made between close relatives.**

40 **(b) A lobbyist may not make a gift with a value of fifty dollars**
41 **(\$50) or more to a legislative person unless the lobbyist receives the**
42 **consent of the legislative person before the gift is made. The**

1 **lobbyist must inform the particular legislative person of the cost of**
 2 **the gift at the time the lobbyist seeks the consent of the legislative**
 3 **person.**

4 SECTION 27. IC 2-7-5-9 IS ADDED TO THE INDIANA CODE
 5 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 6 NOVEMBER 1, 2010]: **Sec. 9. (a) This section does not apply to the**
 7 **following:**

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

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

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

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

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

24 (c) **Except as provided in subsection (a), a lobbyist may not pay**
 25 **for or reimburse for travel expenses of a legislative person for**
 26 **travel outside Indiana for any purpose.**

27 SECTION 28. IC 2-7-5-10 IS ADDED TO THE INDIANA CODE
 28 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 29 1, 2010]: **Sec. 10. (a) Except as provided in subsection (c), this**
 30 **section does not apply to a lobbyist if the lobbyist's activity under**
 31 **this chapter is governed by the Rules of Professional Conduct of**
 32 **the Indiana supreme court.**

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

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

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

40 (A) **another client; or**

41 (B) **a personal interest of the lobbyist.**

42 (c) **A lobbyist shall file with the commission a written statement**

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

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

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

16 SECTION 29. IC 2-7-6-3 IS AMENDED TO READ AS FOLLOWS
 17 [EFFECTIVE NOVEMBER 1, 2010]: Sec. 3. ~~Whoever~~ **A person who**
 18 **knowingly or intentionally makes a false report under this chapter**
 19 **article that overstates or understates the amount of any or all**
 20 **expenditures or gifts an expenditure or gift commits a Class D felony.**

21 SECTION 30. IC 2-7-6-6 IS AMENDED TO READ AS FOLLOWS
 22 [EFFECTIVE NOVEMBER 1, 2010]: Sec. 6. (a) The commission may
 23 impose either or both of the following sanctions if, after a hearing
 24 under IC 4-21.5-3, the commission finds that a lobbyist failed to file a
 25 report with ~~a member of the general assembly~~ **a legislative person**
 26 **required by ~~IC 2-7-3-6: IC 2-7-3-3.3 or IC 2-7-3-7:~~**

27 (1) Revoke the registration of the lobbyist.

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

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

33 (1) Whether the failure to file the report was willful or negligent.

34 (2) Any mitigating circumstances.

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

38 (1) a member of the general assembly; or

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

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

1 following:

2 (1) An individual who holds a legislative office.

3 (2) A candidate for a legislative office.

4 **(3) An individual who holds a state office.**

5 **(4) A candidate for a state office.**

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

7 (1) beginning on the day in January in each odd-numbered year
8 the general assembly reconvenes under IC 2-2.1-1-2; and

9 (2) through the day the general assembly adjourns sine die in an
10 odd-numbered year under IC 2-2.1-1-2.

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

14 (1) Solicit campaign contributions.

15 (2) Accept campaign contributions.

16 (3) Conduct other fundraising activities. This subdivision does not
17 prohibit an affected person from participating in party activities
18 conducted by a regular party committee.

19 SECTION 32. IC 3-9-5-3 IS AMENDED TO READ AS FOLLOWS
20 [EFFECTIVE JANUARY 1, 2011]: Sec. 3. **(a)** A candidate for
21 legislative office and the candidate's committee shall file each report,
22 notice, or other instrument required by this article with the election
23 division. ~~The candidate and committee shall also file a duplicate copy~~
24 ~~with the county election board of the county in which the candidate~~
25 ~~resides.~~

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

33 SECTION 33. IC 4-2-6-15 IS ADDED TO THE INDIANA CODE
34 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE
35 UPON PASSAGE]: Sec. 15. **(a) This section does not apply to the**
36 **following:**

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

39 **(2) A communication:**

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

42 **(B) the expenditure for which is approved by the budget**

1 **agency after an advisory recommendation from the budget**
 2 **committee.**

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

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

7 **(1) An audio communication.**

8 **(2) A video communication.**

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

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

15 SECTION 34. IC 5-14-7 IS ADDED TO THE INDIANA CODE AS
 16 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 17 NOVEMBER 1, 2010]:

18 **Chapter 7. Legislative Liaisons**

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

21 **(1) IC 2-7-1.**

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

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

25 **Sec. 3. As used in this chapter, "legislative liaison" refers to an**
 26 **employee of either of the following who receives at least ten percent**
 27 **(10%) of the individual's annual compensation to engage in**
 28 **lobbying:**

29 **(1) An agency.**

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

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

35 **(1) expenditure for entertainment (including meals and**
 36 **drink); or**

37 **(2) gift;**

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

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

- 1 **(1) Items provided under a statute or from a state agency for**
 2 **redistribution to constituents.**
- 3 **(2) Items provided during the performance of a legislative**
 4 **person's official duties, including the legislative person's**
 5 **service as a member of any of the following:**
- 6 **(A) The legislative council.**
- 7 **(B) The budget committee.**
- 8 **(C) A standing or other committee established by the rules**
 9 **of the house of representatives or the senate.**
- 10 **(D) A study committee established by statute or by the**
 11 **legislative council.**
- 12 **(E) A statutory board or commission.**
- 13 **(3) A scholarship, student employment, or other financial aid**
 14 **granted to a legislative person for attendance at a state**
 15 **educational institution.**

16 **Sec. 5. (a) A report required by this chapter must:**

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

21 **(b) The first report required by this chapter must:**

- 22 **(1) be filed with the commission not later than November 30,**
 23 **2011; and**
- 24 **(2) cover the period from November 1, 2010, through October**
 25 **31, 2011.**

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

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

32 **(b) If the commission does not receive a report from an agency**
 33 **or a state educational institution under this chapter, the**
 34 **commission shall notify the agency or state educational institution**
 35 **and post a copy of the notice on the commission's web site.**

36 **SECTION 35. THE FOLLOWING ARE REPEALED [EFFECTIVE**
 37 **NOVEMBER 1, 2010]: IC 2-7-1-1.5; IC 2-7-1-15; IC 2-7-1-17;**
 38 **IC 2-7-3-6.**

- 1 **SECTION 36. An emergency is declared for this act."**
- 2 Delete pages 4 through 19.
- 3 Renumber all SECTIONS consecutively.
(Reference is to HB 1001 as printed January 5, 2010.)

and when so amended that said bill do pass .

Committee Vote: Yeas 11, Nays 0.

Senator Long, Chairperson