

IC 2-2.1-3

Chapter 3. Legislative Ethics

IC 2-2.1-3-1

Definitions; construction

Sec. 1. As used in this chapter, and unless the context clearly denotes otherwise:

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

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

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

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

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

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

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

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

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

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

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

(l) "Senate" means the Indiana senate.

(m) "State agency" means any department, commission, council, board, bureau, division, service, office, officer, administration, or other establishment in the executive or administrative branch of state government. The term "state agency" does not include state educational institutions or the agencies of any municipality or political subdivision of the state.

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

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

(Formerly: Acts 1974, P.L.4, SEC.1.) As amended by Acts 1977, P.L.2, SEC.1; P.L.5-1988, SEC.1; P.L.8-1993, SEC.1; P.L.2-2007, SEC.4.

IC 2-2.1-3-2

Statement of economic interests

Sec. 2. (a) Not later than seven (7) calendar days following the first session day in January of each year every member of the general assembly shall file with the principal clerk of the house or secretary of the senate, respectively, a written statement of the member's or candidate's economic interests for the preceding calendar year listing the following:

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

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

(3) The name of any partnership of which the member or 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 lobbyist who is:

(A) a member of a partnership or limited liability company;

(B) an officer or a director of a corporation; or

(C) a manager of a limited liability company;

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

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

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

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

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

(Formerly: Acts 1974, P.L.4, SEC.1.) As amended by Acts 1979, P.L.2, SEC.1; P.L.3-1992, SEC.1; P.L.9-1993, SEC.1; P.L.8-1993, SEC.2; P.L.2-1995, SEC.1; P.L.3-1995, SEC.2; P.L.3-1997, SEC.2; P.L.205-1999, SEC.1; P.L.58-2010, SEC.1.

IC 2-2.1-3-3

Repealed

(Repealed by Acts 1979, P.L.2, SEC.3 and Acts 1979, P.L.5, SEC.11.)

IC 2-2.1-3-3.5

General assembly members; affidavits with lobbyists providing more than one-third of nonlegislative income

Sec. 3.5. (a) A member of the general assembly shall, not later than January 20 of each year, file an affidavit with any lobbyist who has provided more than one-third (1/3) of the nonlegislative income of the member during the previous year.

(b) An affidavit required by this section must state the following:

- (1) The name and address of the member of the general assembly.
- (2) That the lobbyist provided more than one-third (1/3) of the nonlegislative income of the member.
- (3) The position or service for which the lobbyist provided the income.

As added by P.L.3-1992, SEC.2.

IC 2-2.1-3-4

Form of disclosure statements; availability; list of lobbyists

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

(b) Before July 1 each year, the Indiana lobby registration commission shall furnish to the clerk of the house and secretary of the senate a complete list of the lobbyists registered for the previous twelve (12) month period. Copies of the list shall be available to members of and candidates for the general assembly and shall be distributed by the clerk of the house and secretary of the senate with the forms for statements of economic interest.

(Formerly: Acts 1974, P.L.4, SEC.1.) As amended by Acts 1979, P.L.2, SEC.2; P.L.3-1992, SEC.3; P.L.9-1993, SEC.2; P.L.4-1995, SEC.10.

IC 2-2.1-3-5

Legislative ethics committees; creation

Sec. 5. There is hereby created a house of representatives legislative ethics committee and a senate legislative ethics committee to serve each house of the Indiana general assembly. Each such committee shall be composed of six (6) members, three (3) from the majority party and three (3) from the minority party having the largest number of members. Each member appointed shall serve on his respective committee during his term as a member of the house or senate. Vacancies on either committee shall be filled for the unexpired term in the same manner as the original appointment.

The three (3) majority party members of each committee shall be appointed by the speaker of the house or the president pro tempore of the senate, as appropriate. The three (3) minority party members of each committee shall be appointed by the floor leader of the minority party having the largest number of members in the appropriate house. One (1) member of each committee shall be designated as chairman by the speaker of the house or the president pro tempore of the senate, as appropriate.

(Formerly: Acts 1974, P.L.4, SEC.1.)

IC 2-2.1-3-6

Committee meetings; recommended code

Sec. 6. The members of each committee shall meet and proceed to recommend a code of ethics for their respective houses by not later than thirty (30) days after the first session day of each legislative session. Any code of ethics so recommended shall be consistent with the constitution of the state of Indiana, the provisions of this chapter and any other applicable law.

(Formerly: Acts 1974, P.L.4, SEC.1.)

IC 2-2.1-3-7

Committees; powers and duties

Sec. 7. In addition to the responsibility to devise a code of ethics, each legislative ethics committee:

- (1) may receive and hear any complaint which alleges a breach of any privilege of the appropriate house, misconduct of any member or any violation of the respective code of ethics, regardless of when the breach, misconduct, or violation is alleged to have occurred;
- (2) may obtain information with respect to any complaint filed pursuant to this section and to that end may compel the attendance and testimony of witnesses, and the production of pertinent books and papers;
- (3) may recommend whatever sanction is appropriate with respect to a particular member as will best maintain in the minds of the public a good opinion of the conduct and character of members of the general assembly;
- (4) may recommend legislation to the general assembly relating to the conduct and ethics of members of the general assembly;
- (5) shall act as an advisory body to the general assembly and to individual members of the appropriate house on questions relating to possible conflicts of interest; and
- (6) shall conduct its investigations in the following manner:
 - (A) When a complaint is filed with the committee, a copy shall promptly be sent to the person alleged to have committed the violation. If the committee determines the complaint does not allege facts sufficient to constitute a code or statutory violation, the complaint shall be dismissed and the complainant and respondent notified. If the committee determines the complaint does allege facts sufficient to constitute a code or statutory violation, it shall promptly investigate the alleged violation. If, after such preliminary investigation the committee finds that probable cause does not exist to support an alleged violation, the allegation shall be dismissed. If the committee finds that probable cause exists to support an alleged violation, it shall convene a hearing on the matter within thirty (30) days after making such determination. The committee may meet in executive session to conduct a preliminary investigation and to determine whether probable cause exists to support an

alleged violation. All committee investigations and records relating to the preliminary investigation shall be confidential.

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

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

(D) No committee member shall participate in any matter in which he is involved.

(Formerly: Acts 1974, P.L.4, SEC.1.) As amended by P.L.3-1992, SEC.4.

IC 2-2.1-3-8

Repealed

(Repealed by Acts 1978, P.L.2, SEC.203.)

IC 2-2.1-3-9

General assembly members; unlawful compensation; confidential information

Sec. 9. No member of the general assembly shall accept any compensation from any employment, transaction or investment which was entered into or made as a result of material information of a confidential nature.

(Formerly: Acts 1974, P.L.4, SEC.1.)

IC 2-2.1-3-9.5

"Honorarium"; member of general assembly may not receive honorarium for appearance or speech made or given in capacity as legislator

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.

As added by P.L.58-2010, SEC.2.

IC 2-2.1-3-10

General assembly members; unlawful compensation; persons with economic interest in legislation

Sec. 10. No member of the general assembly shall receive compensation for the sale or lease of any property or service which substantially exceeds that which the member of the general assembly would charge in the ordinary course of business from any person or entity whom he knows or, in the exercise of reasonable care and diligence should know, has an economic interest in a legislative matter.

(Formerly: Acts 1974, P.L.4, SEC.1.)

IC 2-2.1-3-11

Repealed

(Repealed by Acts 1978, P.L.2, SEC.203.)

IC 2-2.1-3-11.5

General assembly members; distribution of literature

Sec. 11.5. A member of the general assembly may distribute literature that is available to residents of Indiana without cost from the state and may stamp the literature "Distributed by (insert the name of the member)".

As added by P.L.5-1989, SEC.1.

IC 2-2.1-3-12

Knowing failure to file statements or filing false statements; knowing acceptance of prohibited honorarium; disorderly behavior

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.
- (2) Knowing violation of section 9, 9.5, or 10 of this chapter.

(Formerly: Acts 1974, P.L.4, SEC.1.) As amended by P.L.3-1989, SEC.2; P.L.58-2010, SEC.3.