

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 539

Short Title: Lobbyist Disclosure.

(Public)

Sponsors: Senators Miller; Ballantine, Blust, Forrester, Gulley, Jenkins, Kinnaird, Lucas, Martin of Guilford, and Odom.

Referred to: Commerce.

March 27, 1997

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE MORE SPECIFIC DISCLOSURE OF LOBBYING.

3 The General Assembly of North Carolina enacts:

4 Section 1. G.S. 120-47.2 reads as rewritten:

5 "**§ 120-47.2. Registration procedure.**

6 (a) A lobbyist shall file a registration statement with the Secretary of State before
7 engaging in any lobbying. A separate registration statement is required for each
8 lobbyist's principal.

9 (b) The form of the registration shall be prescribed by the Secretary of State and
10 shall include the registrant's full name, firm, and complete address; the registrant's place
11 of business; the full name and complete address of each person by whom the registrant is
12 employed or retained; ~~and a general description of the matters on which the registrant expects~~
13 ~~to act as a lobbyist.~~ a statement of the general issue areas in which the registrant expects to
14 engage in lobbying on behalf of each principal; and the name of every political
15 committee of which each principal is a parent entity under the provisions of G.S. 163-
16 278.19.

17 (c) Each lobbyist shall register again with the Secretary of State no later than 10
18 days after any change in the information supplied in his last registration under subsection

1 (b). Each supplementary registration shall include a complete statement of the
2 information that has changed.

3 (d) Within 20 days after the convening of each session of the General Assembly,
4 the Secretary of State shall furnish each member of the General Assembly and the State
5 Legislative Library a list of all persons who have registered as lobbyists and whom they
6 represent. A supplemental list shall be furnished periodically each 20 days thereafter as
7 the session progresses.

8 (e) Each registration statement required under this Article shall be effective from
9 the date of filing until January 1 of the following odd-numbered year. The lobbyist shall
10 file a new registration statement after that date, and the applicable fee shall be due and
11 payable."

12 Section 2. G.S. 120-47.6 reads as rewritten:

13 "**§ 120-47.6. Statements of lobbyist's lobbying expenses and lobbying activities**
14 **required.**

15 (a) Each lobbyist shall file an expense report and a report of lobbying activities
16 with the Secretary of State with respect to each principal within 60 days after the last day
17 of the regular session. ~~This expense report shall include all expenditures made between January~~
18 ~~1 and the last day of the regular session. The lobbyist shall file a supplemental report including~~
19 ~~all expenditures made after the last day of the regular session, but during the calendar year, by~~
20 ~~February 28 of the following year. The lobbyist shall file both expense reports whether or not~~
21 ~~expenditures are made.~~

22 (b) The expense report shall include all expenditures made between January 1 and
23 the last day of the regular session. The lobbyist shall file a supplemental report including
24 all expenditures made after the last day of the regular session, but during the calendar
25 year, by February 28 of the following year. The lobbyist shall file both expense reports
26 whether or not expenditures are made. Each expense report shall set forth the date of each
27 expenditure, to whom paid, the name of any legislator who benefitted from each
28 expenditure, and the amount of each expenditure made during the previous reporting
29 period in connection with lobbying, in each of the following categories: (1)
30 transportation, (2) lodging, (3) entertainment, (4) food, (5) any item having a cash
31 equivalent value of more than twenty-five dollars (\$25.00) and (6) contributions made,
32 paid, incurred or promised, directly or indirectly. It shall not be necessary to report
33 expenditures of twenty-five dollars (\$25.00) or less, nor shall it be necessary to report any
34 expenditures made in connection with the attendance of a legislator at any fund-raising
35 function or event sponsored by a nonprofit organization qualified under 26 U.S.C. §
36 501(c). When more than 10 members of the General Assembly benefitted or were invited
37 to benefit from an expenditure, the lobbyist shall not be required to report the name of
38 any legislator, but shall be required to report the number of legislators or, with
39 particularity, the basis for their selection.

40 (b1) The report of lobbying activities shall cover the period between January 1 and
41 the last day of the regular session. The lobbyist shall file a supplemental report covering
42 all lobbying activities engaged in after the last day of the regular session, but during the
43 calendar year, by February 28 of the following year. The lobbyist shall file both reports

1 of lobbying activities, whether or not any lobbying occurred. The report of lobbying
2 activities shall state the following:

3 (1) A list of the specific issues upon which that lobbyist engaged in
4 lobbying, including, to the maximum extent practicable, a list of the bill
5 numbers; and

6 (2) With regard to each specific issue, whether the lobbyist spent on that
7 issue ten percent (10%) or more of the total time the lobbyist spent
8 lobbying for the principal. For each issue on which the lobbyist spent
9 approximately ten percent (10%) or more of the total time the lobbyist
10 spent lobbying for the principal, the report shall further state the
11 principal's position on the specific issue, including whether the principal
12 supported or opposed specific legislation, identifying the legislation by
13 bill number where possible, and any proposed amendments that the
14 principal favored or opposed. The lobbyist may attach to the statement
15 of lobbying activities a copy of correspondence or other documents
16 setting forth the principal's position on the specific issue.

17 (c) All reports shall be in the form prescribed by the Secretary of State and shall
18 be open to public inspection. The Secretary of State may combine the expense report and
19 the lobbying activities report on a single form, or place them on separate forms.

20 (d) When a lobbyist fails to file a lobbying expense report or report of lobbying
21 activities as required herein, the Secretary of State shall send a certified or registered
22 letter advising the lobbyist of the delinquency and the penalties provided by law. Within
23 20 days of the receipt of the letter, the lobbyist shall deliver or post by United States mail
24 to the Secretary of State the required report and an additional late filing fee of ten dollars
25 (\$10.00). Filing of the required report and payment of the additional fee within the time
26 extended shall constitute compliance with this section. Failure to file ~~an expense~~ a report
27 in one of the manners prescribed herein shall result in revocation of any and all
28 registrations of a lobbyist under this Article. No lobbyist may register or reregister under
29 this Article until he has fully complied with this section."

30 Section 3. G.S. 120-47.7 reads as rewritten:

31 "**§ 120-47.7. Statements ~~of~~ by lobbyist's principal of lobbying expenses and of**
32 **lobbying activities required.**

33 (a) Each lobbyist's principal shall file an expense report and a report of lobbying
34 activities with the Secretary of State within 60 days after the last day of the regular
35 session. ~~This expense report shall include all expenditures made between January 1 and the last~~
36 ~~day of the regular session. The principal shall file a supplemental expense report, including all~~
37 ~~expenditures made after the last day of the regular session, but during the calendar year, by~~
38 ~~February 28 of the following year. The principal shall file both expense reports whether or not~~
39 ~~expenditures are made during a reporting period.~~

40 (b) The expense report shall include all expenditures made between January 1 and
41 the last day of the regular session. The principal shall file a supplemental report including
42 all expenditures made after the last day of the regular session, but during the calendar
43 year, by February 28 of the following year. The principal shall file both expense reports

1 whether or not expenditures are made. Each expense report shall set forth the name and
2 address of each lobbyist employed, appointed, or retained by the lobbyist's principal, the
3 date of each expenditure made, to whom paid, name of any legislator who benefitted
4 from each expenditure, and amount of each expenditure made during the previous
5 reporting period in connection with lobbying, in each of the following categories: (1)
6 transportation, (2) lodging, (3) entertainment, (4) food, (5) any item having a cash
7 equivalent value of more than twenty-five dollars (\$25.00), (6) contributions made, paid,
8 incurred or promised, directly or indirectly, and (7) compensation to lobbyists in
9 connection with their lobbying activities. It shall not be necessary to report expenditures
10 of twenty-five dollars (\$25.00) or less, nor shall it be necessary to report any expenditures
11 made in connection with the attendance of a legislator at any fund-raising function or
12 event sponsored by a nonprofit organization qualified under 26 U.S.C. § 501(c). When
13 more than 10 members of the General Assembly benefitted or were invited to benefit
14 from an expenditure, the principal shall not be required to report the name of any
15 legislator, but shall be required to report the number of legislators or the basis for their
16 selection. In the category of compensation to lobbyists the principal shall estimate and
17 report the compensation paid or promised directly or indirectly, to all lobbyists based on
18 the estimated time, effort and expense in connection with lobbying activities on behalf of
19 the principal. If a lobbyist is a full-time employee of the principal, or is compensated by
20 means of an annual fee or retainer, the principal shall estimate and report the portion of
21 all such lobbyists' salaries or retainers that compensate the lobbyists for lobbying.

22 (b1) The report of lobbying activities shall cover the period between January 1 and
23 the last day of the regular session. The principal shall file a supplemental report covering
24 all lobbying activities engaged in after the last day of the regular session, but during the
25 calendar year, by February 28 of the following year. The principal shall file both reports
26 of lobbying activities, whether or not lobbying occurred. The report of lobbying activities
27 shall state the following:

- 28 (1) The name and address of each lobbyist employed, appointed, or retained
29 by the principal;
30 (2) A list of the specific issues upon which each lobbyist lobbied on behalf
31 of the principal, including, to the maximum extent practicable, a list of
32 the bill numbers; and
33 (3) Of the total compensation the principal paid to each lobbyist during the
34 reporting period, an approximate proportion of that total amount that
35 was paid for lobbying each issue.

36 (b2) The principal shall state in its report of lobbying activities the name of any
37 political committee of which it is the parent entity under the provisions of G.S. 163-
38 278.19.

39 (c) All reports shall be in the form prescribed by the Secretary of State and open to
40 public inspection. The Secretary of State may combine the expense report and the
41 lobbying activities report on a single form, or place them on separate forms.

42 (d) When a lobbyist's principal fails to file a lobbying expense report or a report of
43 lobbying activities as required herein, the Secretary of State shall send a certified or

1 registered letter advising the lobbyist's principal of the delinquency and the penalties
2 provided by law. Within 20 days of the receipt of the letter, the lobbyist's principal shall
3 deliver or post by United States mail to the Secretary of State the required report and a
4 late filing fee of ten dollars (\$10.00). Filing of the required report and payment of the late
5 fee within the time extended shall constitute compliance with this section."

6 Section 4. This act becomes effective January 1, 1999.