

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE DRH80490-ST-19 (04/28)

Short Title: Lobbying Reforms 2006. (Public)

Sponsors: Representatives Hackney, Howard, Gibson, Sherrill (Primary Sponsors); Barnhart, Bell, Brubaker, Coates, Earle, Eddins, Fisher, Harrison, Justice, Lucas, Luebke, Martin, McLawhorn, Nye, Ross, Sauls, Setzer, Steen, and West.

Referred to:

A BILL TO BE ENTITLED

1 AN ACT TO AMEND THE LEGISLATIVE LOBBYING LAWS BY
2 ESTABLISHING WAITING PERIODS BEFORE CERTAIN STATE OFFICERS
3 MAY LOBBY; BY BARRING LOBBYISTS FROM CERTAIN APPOINTMENTS
4 AND OTHER ACTIVITIES; BY BANNING CERTAIN GIFTS; BY
5 ESTABLISHING QUARTERLY REPORTING OF EXPENDITURES WITH
6 ADDITIONAL INTERIM REPORTING; BY EXPANDING THE COVERAGE OF
7 THE LOBBYING LAWS TO INCLUDE EXECUTIVE BRANCH OFFICERS; BY
8 LIMITING CAMPAIGN CONTRIBUTIONS BY REGISTERED LOBBYISTS;
9 AND BY MAKING OTHER CONFORMING CHANGES, AS RECOMMENDED
10 BY THE HOUSE SELECT COMMITTEE ON ETHICS AND GOVERNMENTAL
11 REFORM.
12

13 The General Assembly of North Carolina enacts:

14 **SECTION 1.** Article 9A of Chapter 120 of the General Statutes is amended
15 to add a new section to read:

16 "**§ 120-47.7C. Prohibitions.**

17 (a) No member or former member of the General Assembly may be employed as
18 a legislative lobbyist by a lobbyist's principal to lobby as defined in this Article within
19 one year after the end of that member's service in the General Assembly.

20 (b) No person serving, or formerly having served, as Governor, a member of the
21 Council of State, or a head of a principal State department listed in G.S. 143B-6 may be
22 employed as a legislative lobbyist by a lobbyist's principal to lobby as defined in this
23 Article within one year after separation from employment or leaving office.

1 (c) No individual registered as a legislative lobbyist shall serve as a campaign
2 treasurer under Chapter 163 of the General Statutes as defined in G.S. 163-278.6(19) for
3 a campaign for election as a member of the General Assembly, Governor, or Council of
4 State.

5 (d) A legislative lobbyist shall not be eligible for appointment by a State official
6 to any body created under the laws of this State that has regulatory authority over the
7 activities of a person that the legislative lobbyist currently represents or has represented
8 within 60 days after the expiration of the legislative lobbyist's registration representing
9 that person. Nothing herein shall be construed to prohibit appointment by any unit of
10 local government.

11 (e) No legislative lobbyist or another acting on the legislative lobbyist's behalf
12 shall permit a covered person, legislative employee, or that person's immediate family
13 member to use the cash or credit of the lobbyist for the purpose of lobbying unless the
14 lobbyist is in attendance at the time of the expenditure."

15 **SECTION 2.** Article 9A of Chapter 120 of the General Statutes is amended
16 to add a new section to read:

17 **"§ 120-47.7B. Powers and duties of the Secretary of State.**

18 (a) The Secretary of State shall perform systematic reviews of reports required to
19 be filed under G.S. 120-47.6 and G.S. 120-47.7 on a regular basis to assure complete
20 and timely disclosure of expenditures.

21 (b) The Secretary of State may petition the Superior Court of Wake County for
22 the approval to issue subpoenas and subpoenas duces tecum as necessary to conduct
23 investigations of violations of this Article. The court shall authorize subpoenas under
24 this subsection when the court determines they are necessary for the enforcement of this
25 Article. Subpoenas issued pursuant to this subsection shall be enforceable by the court
26 through contempt powers. Venue shall be with the Superior Court of Wake County for
27 any nonresident person, or that person's agent, who makes a reportable expenditure
28 under this Article, and personal jurisdiction may be asserted under G.S. 1-75.4.

29 (c) Complaints of violations of this Article and all other records accumulated in
30 conjunction with the investigation of these complaints shall be considered records of
31 criminal investigations under G.S. 132-1.4."

32 **SECTION 3.** Article 9A of Chapter 120 of the General Statutes reads as
33 rewritten:

34 "Article 9A.

35 "~~Legislative Branch~~ Lobbying.

36 **"§ 120-47.1. Definitions.**

37 ~~The following definitions shall apply in this Article:~~As used in this Article, the
38 following terms mean:

39 (1) ~~The term "covered person" means a legislator, the Governor, or the~~
40 ~~Lieutenant Governor.~~Covered person. – A legislator, legislative
41 employee, or executive branch officer.

42 (1a) Advocacy day. – A day that any lobbyist's principal collectively
43 assembles its membership or employees and advocates for legislative
44 or executive action.

- 1 (1b) Constitutional officers of the State. – Officers whose offices are
2 established in Article III of the Constitution.
- 3 (1c) Executive action. – Any decision, including administration, approval,
4 disapproval, preparation, recommendation, the rendering of advice,
5 and investigation, made or contemplated in any proceeding,
6 application, submission, request for a ruling or other determination,
7 contract, claim, controversy, investigation, charge, or rule making.
- 8 (1d) Executive branch officer. – All of the following:
- 9 a. Constitutional officers of the State, persons elected or appointed
10 as a Constitutional officer of the State prior to taking office, or a
11 person having filed a notice of candidacy for such office under
12 G.S. 163-106 or Article 11 of Chapter 163 of the General
13 Statutes.
- 14 b. Employees of the Office of the Governor.
- 15 c. Heads of all principal State departments, as set forth in
16 G.S. 143B-6, who are appointed by the Governor.
- 17 d. The chief deputy or chief administrative assistant of each
18 person designated under sub-subdivisions a. and c. of this
19 subdivision.
- 20 e. Confidential assistants and secretaries as defined in
21 G.S. 126-5(c)(2), to persons designated under sub-subdivisions
22 a., c., and d. of this subdivision.
- 23 f. Employees in exempt positions as defined in G.S. 126-5(b) and
24 employees in exempt positions designated in accordance with
25 G.S. 126-5(d)(1), (2), or (2a), and confidential secretaries to
26 these individuals.
- 27 g. Any other employees or appointees in the principal State
28 departments as may be designated by the Governor to the extent
29 that the designation does not conflict with the State Personnel
30 Act.
- 31 h. All voting members of boards, including ex officio members
32 and members serving by executive, legislative, or judicial
33 branch appointment.
- 34 i. For The University of North Carolina, the voting members of
35 the Board of Governors of The University of North Carolina,
36 the president, the vice-presidents, and the chancellors, the
37 vice-chancellors, and voting members of the boards of trustees
38 of the constituent institutions.
- 39 j. For the System of Community Colleges, the voting members of
40 the State Board of Community Colleges, the President and chief
41 financial officer of the System of Community Colleges, the
42 president, chief financial officer and chief administrative officer
43 of each community college, and voting members of the boards
44 of trustees of each community college.

- 1 ~~(1a)~~(1e) ~~The term "expenditure" means any~~ Expenditure. – Any advance,
2 contribution, conveyance, deposit, distribution, payment, gift, retainer,
3 fee, salary, honorarium, reimbursement, loan, pledge or thing of value
4 greater than ten dollars ~~(\$10.00), (\$10.00) per single calendar day~~ or a
5 contract, agreement, promise or other obligation whether or not legally
6 enforceable, that directly or indirectly is made to, at the request of, for
7 the benefit of, or on the behalf of a covered ~~person, legislative~~
8 ~~employee, person~~ or that person's immediate family member.
- 9 (1f) Extended family. – Spouse, descendant, ascendant, or sibling of the
10 covered person or, descendant, ascendant, or sibling of the spouse of
11 the covered person.
- 12 (1b) ~~The term "executive lobbyist" means a lobbyist registered pursuant to~~
13 ~~Article 4C of Chapter 147 of the General Statutes.~~
- 14 (2),(3) Repealed by Session Laws 1991, c. 740, s. 1.1.
- 15 (2a) Gift. – Anything of value without valuable consideration.
- 16 (3a) ~~The term "immediate family member" means spouse, descendant, or~~
17 ~~ascendant.~~Immediate family member. – An unemancipated child of the
18 covered person residing in the household, and the covered person's
19 spouse, if not legally separated.
- 20 (4) ~~The term "legislative action" means the~~Legislative action. – The
21 preparation, research, drafting, introduction, consideration,
22 modification, amendment, approval, passage, enactment, tabling,
23 postponement, defeat, or rejection of a bill, resolution, amendment,
24 motion, report, nomination, appointment, or other matter, whether or
25 not the matter is identified by an official title, general title, or other
26 specific reference, by the legislature or by a member or employee of
27 the legislature acting or purporting to act in an official capacity. It also
28 includes the consideration of any bill by the Governor for the
29 Governor's approval or veto under Article II, Section 22(1) of the
30 Constitution or for the Governor to allow the bill to become law under
31 Article II, Section 22(7) of the Constitution.
- 32 (4a) ~~The term "legislative employee" means employees~~Legislative
33 ~~employee.~~ – Employees and officers of the General Assembly.
- 34 (4b) ~~The term "legislative liaison personnel" means any~~Liaison personnel. –
35 Any State employee or officer whose principal duties, in practice or as
36 set forth in that person's job description, include lobbying the General
37 ~~Assembly.~~Assembly or executive branch officers.
- 38 (4c) ~~The term "legislative lobbyist" means any lobbyist for or against~~
39 ~~legislative action.~~
- 40 (4d) ~~The term "legislator" means a~~Legislator. – A member or presiding
41 officer of the General Assembly ~~or Assembly,~~ a person elected or
42 appointed a member or presiding officer of the General Assembly
43 prior to taking ~~office~~office, or a person having filed a notice of

1 candidacy for such office under G.S. 163-106 or Article 11 of Chapter
2 163 of the General Statutes.

3 (5) ~~The term "lobbying" means any~~Lobbying. – Any of the following:

4 a. Influencing or attempting to influence legislative or executive
5 action, or both, through direct communication or activities with
6 a covered ~~person, legislative employee, person~~ or that person's
7 immediate family member.

8 b. Solicitation of others by ~~legislative~~ lobbyists or lobbyists'
9 principals to influence legislative or executive action~~action, or~~
10 both.

11 c. Developing goodwill through communications or activities,
12 including the building of relationships, with a covered ~~person,~~
13 ~~legislative employee, person~~ or that person's immediate family
14 member with the intention of influencing current or future
15 legislative action, but does not include communications or
16 activities with a covered ~~person, legislative employee, person~~ or
17 that person's immediate family member in a business, civic,
18 religious, fraternal, or commercial relationship which is not
19 connected to legislative or executive action~~action, or both.~~

20 (6) ~~The term "lobbyist" means an~~Lobbyist. – An individual who meets any
21 of the following criteria:

22 a. Is employed and receives compensation, or who contracts for
23 economic consideration, for the purpose of lobbying.

24 b. Represents another person and receives compensation for the
25 purpose of lobbying.

26 e. ~~Is legislative liaison personnel.~~

27 The term "lobbyist" shall not include those individuals who are
28 specifically exempted from this Article by G.S. 120-47.8. For the
29 purpose of determining whether an individual is a lobbyist under this
30 subdivision, reimbursement of actual travel and subsistence expenses
31 shall not be considered compensation; provided, however, that
32 reimbursement in the ordinary course of business of these expenses
33 shall be considered compensation if a significant part of the
34 individual's duties involve lobbying before the General
35 ~~Assembly.~~Assembly or executive branch officers.

36 (7) ~~The terms "lobbyist's principal" and "principal" mean the~~Lobbyist
37 principal and principal. – The person on whose behalf the ~~legislative~~
38 lobbyist lobbies. In the case where a lobbyist is compensated by a law
39 firm, consulting firm, or other entity retained by a person for
40 ~~legislative~~ lobbying, the principal is the person whose interests the
41 lobbyist represents in lobbying. In the case of a lobbyist employed or
42 retained by an association or other organization, the lobbyist's
43 principal is the association or other organization, not the members of
44 the association or other organization.

- 1 (7a) ~~The term "news medium" means mainstream~~News medium. –
2 Mainstream media providers whose sole purpose is to report events
3 and that does not involve research or advocacy.
- 4 (8) ~~The term "person" means any~~Person. – Any individual, firm,
5 partnership, committee, association, corporation, business entity, or
6 any other organization or group of persons which has an independent
7 legal existence.
- 8 (8a) Public event. – Either of the following:
- 9 a. An organized gathering of individuals open to the general
10 public or to which a legislator or legislative employee is invited
11 along with the entire membership of the House, Senate, a
12 committee, a subcommittee, a county legislative delegation, a
13 joint committee or legislative caucus and to which at least 10
14 employees or members of the principal actually attend.
- 15 b. An organized gathering of individuals open to the general
16 public or to which at least ten executive branch officers are
17 invited to attend and at least 10 employees or members of the
18 principal actually attend.
- 19 (9) ~~The General Assembly is in "regular session" from the~~In regular
20 session. – The date set by law or resolution that the General Assembly
21 convenes until the General Assembly either:
- 22 a. Adjourns sine die; or
23 b. Recesses or adjourns for more than 10 days.

24 **§ 120-47.2. Registration procedure.**

25 (a) ~~A legislative~~ lobbyist shall file a registration statement with the Secretary of
26 State in a manner prescribed by the Secretary before engaging in any lobbying. It shall
27 be unlawful for a person to lobby without registering unless exempted by this Article. A
28 lobbyist shall file a separate registration statement for each principal the lobbyist
29 represents. ~~The registration shall indicate whether it is registration as a legislative~~
30 ~~lobbyist, executive lobbyist, or both, and a separate registration fee shall be paid for~~
31 ~~each separate type of registration.~~

32 (b) The form of the registration shall be prescribed by the Secretary of State and
33 shall include the registrant's full name, firm, complete address and telephone number;
34 the registrant's place of business; the full name, complete address and telephone number
35 of each person by whom the registrant is employed or retained; and a general
36 description of the matters on which the registrant expects to act as a ~~legislative~~ lobbyist.
37 The Secretary of State shall make available as soon as practicable the registrations of
38 the lobbyists and lobbyists' principals in an electronic, searchable format.

39 (c) Each ~~legislative~~ lobbyist shall file an amended registration form with the
40 Secretary of State no later than 10 business days after any change in the information
41 supplied in the ~~legislative~~ lobbyist's last registration under subsection (b). Each
42 supplementary registration shall include a complete statement of the information that
43 has changed.

1 (d) Within 20 days after the convening of each session of the General Assembly,
2 the Secretary of State shall furnish each member of the General ~~Assembly~~ Assembly,
3 Constitutional officers of the State, the head of each principal department of the
4 Executive Branch, and the State Legislative Library a list of all persons who have
5 registered as ~~executive or legislative~~ lobbyists and whom they represent. ~~Within 20 days~~
6 ~~after the beginning of the term of a Governor, the Secretary of State shall furnish the~~
7 ~~Governor, each other member of the Council of State, the head of each principal~~
8 ~~department of the Executive Branch, and the State Legislative Library a list of all~~
9 ~~persons who have registered as executive or legislative lobbyists and whom they~~
10 ~~represent.~~ A supplemental list of ~~legislative~~ lobbyists shall be furnished periodically
11 each 20 days thereafter ~~as the session progresses.~~ while the General Assembly is in
12 session, and every 60 days thereafter. ~~A supplemental list of executive lobbyists shall be~~
13 ~~furnished periodically each 60 days thereafter.~~ For each special session of the General
14 Assembly, a supplemental list of ~~legislative~~ lobbyists shall be furnished to the State
15 Legislative Library. All lists required by this section may be furnished electronically.

16 (e) Each registration statement of a ~~legislative~~ lobbyist required under this
17 Article shall be effective from the date of filing until January 1 of the following year.
18 The ~~legislative~~ lobbyist shall file a new registration statement after that date, and the
19 applicable fee shall be due and payable.

20 **"§ 120-47.3. Registration fee.**

21 A fee of one hundred dollars (\$100.00) is due and payable to the Secretary of State
22 by either the lobbyist or the lobbyist's principal at the time of each lobbyist registration.
23 Fees so collected shall be deposited in the General Fund of the State. The Secretary of
24 State shall allow fees required under this section to be paid electronically but may not
25 require the fees to be paid electronically. The Secretary of State shall adopt rules
26 providing for the waiver or reduction of the fees required by this section in cases of
27 hardship.

28 **"§ 120-47.4. Authorization from lobbyist's principal; fee from principal.**

29 (a) Each ~~legislative~~ lobbyist or lobbyist's principal shall file with the Secretary of
30 State within 10 business days after the ~~legislative~~ lobbyist's registration a written
31 authorization signed by the lobbyist's principal authorizing the lobbyist to represent the
32 principal.

33 (b) The form of the authorization shall be prescribed by the Secretary of State
34 and shall include the lobbyist's principal's full name, complete address and telephone
35 number, name and title of the official signing for the lobbyist's principal, and the name
36 of each lobbyist registered to represent the lobbyist's principal. The Secretary of State
37 shall make available as soon as practicable the authorization of the lobbyists' principals
38 in an electronic, searchable format.

39 (c) An amended authorization shall be filed with the Secretary of State no later
40 than 10 days after any change in the information supplied for the lobbyist's principal on
41 the previous authorization. Each supplementary authorization shall include a complete
42 statement of the information that has changed.

43 (d) Except as provided for in subsection (e) of this section, a fee of one hundred
44 dollars (\$100.00) is due and payable to the Secretary of State at the time the lobbyist's

1 principal's first authorization statement is filed each calendar year for a legislative
2 lobbyist. ~~The fee for the legislative lobbyist's authorization shall be seventy five dollars~~
3 ~~(\$75.00) if an authorization for the principal to be represented by an executive lobbyist~~
4 ~~is filed at the same time. No additional fee is due for additional authorizations filed for~~
5 ~~legislative lobbyists.~~

6 (e) The Secretary of State shall adopt rules providing for the waiver or reduction
7 of the fees required by fee in subsection (d) of this section. The rules shall provide that
8 the fees be reduced to a total of twenty-five dollars (\$25.00) if the lobbyist's principal
9 had annual revenues in its most recent fiscal year of three hundred thousand dollars
10 (\$300,000) or less and is represented by no more than two different lobbyists. This
11 reduced fee covers authorizations filed for the principal's legislative and executive
12 lobbyists.

13 **"§ 120-47.5. Contingency lobbying fees and election influence prohibited.**

14 (a) No person shall act as a ~~legislative lobbyist~~ for compensation that is
15 dependent upon the result or outcome of any legislative action.

16 (b) No ~~legislative lobbyist or legislative lobbyist's principal person~~ shall attempt
17 to influence the action of any covered person by the promise of financial support of the
18 covered person's candidacy, or by threat of financial support in opposition to the
19 covered person's candidacy in any future election.

20 **"§ 120-47.5A. Certain gifts by lobbyists and lobbyist's principals prohibited;**
21 **Exemptions and inclusions for reporting purposes.exemptions.**

22 (a) No lobbyist or lobbyist's principal may give a gift to a covered person.

23 (a)(a1) For purposes of G.S. 120-47.6 and G.S. 120-47.7, the following expenditures
24 need not be reported: Subsection (a) of this section shall not apply to:

- 25 (1) ~~Gifts between an immediate family member or person who is the~~
26 ~~stepchild, sibling, mother in law, father in law, son in law,~~
27 ~~daughter in law, or members of the household of the covered person or~~
28 ~~legislative employee~~
- 29 (2) ~~Lawful campaign contributions.~~
- 30 (3) ~~Commercially available loans made on terms not more favorable than~~
31 ~~generally available to the public in the normal course of business if not~~
32 ~~made for the purpose of lobbying.~~
- 33 (4) ~~Contractual arrangements or business relationships or arrangements~~
34 ~~made in the normal course of business if not made for the purpose of~~
35 ~~lobbying.~~
- 36 (5) ~~The cost of attendance or participation provided by the sponsoring~~
37 ~~entity of lodging, and of food and beverages consumed, at events~~
38 ~~sponsored by or in conjunction with a civic, charitable, community, or~~
39 ~~diplomatic event if the activity or event does not last longer than three~~
40 ~~hours.~~
- 41 (6) ~~Academic scholarships made on terms not more favorable than~~
42 ~~scholarships generally available to the public.~~
- 43 (1) Meals and beverages for immediate consumption in connection with
44 public events.

- 1 (2) Nonmonetary items, other than food or beverages, with a value not to
2 exceed ten dollars (\$10.00) provided by a single donor during a single
3 calendar day.
- 4 (3) Informational materials relevant to the duties of the covered person.
- 5 (4) Reasonable actual expenses for food, registration, travel, and lodging
6 of the covered person for a meeting at which the covered person
7 participates in a panel or speaking engagement at the meeting related
8 to the public servant's duties and when expenses are incurred on the
9 actual day of participation in the engagement or incurred within a
10 24-hour time period before or after the engagement.
- 11 (5) Items or services received in connection with a state, national, or
12 regional organization in which the covered person or the covered
13 person's agency is a member.
- 14 (6) Items and services received relating to an educational conference or
15 meeting.
- 16 (7) A plaque or similar nonmonetary memento recognizing individual
17 services in a field or specialty or to a charitable cause.
- 18 (8) Gifts accepted on behalf of the State.
- 19 (9) Anything generally available or distributed to the general public or all
20 other State employees.
- 21 (10) Anything for which fair market value is paid.
- 22 (11) Commercially available loans made on terms not more favorable than
23 generally available to the public in the normal course of business if not
24 made for the purpose of lobbying.
- 25 (12) Contractual arrangements or business relationships or arrangements
26 made in the normal course of business if not made for the purpose of
27 lobbying.
- 28 (13) Academic scholarships made on terms not more favorable than
29 scholarships generally available to the public.
- 30 (14) Political contributions properly received and reported as required
31 under Article 22A of Chapter 163 of the General Statutes.
- 32 (15) Gifts from the covered person's extended family, or a member of the
33 same household of the covered person, or gifts received in conjunction
34 with a marriage, birth, adoption, or death.
- 35 (16) Things of monetary value given to a executive branch officer valued in
36 excess of ten dollars (\$10.00) where the thing of monetary value is
37 entertainment or related expenses associated with the public business
38 of industry recruitment, promotion of international trade, or the
39 promotion of travel and tourism, and the executive branch officer is
40 responsible for conducting the business on behalf of the State,
41 provided all the following conditions apply:
- 42 a. The executive branch officer did not solicit the thing of value,
43 and the executive branch officer did not accept the thing of

1 value in the performance of the executive branch officer's
2 official duties.

3 b. The executive branch officer reports electronically to the
4 Commission within 30 days of receipt of the thing of value. The
5 report shall include a description and value of the thing of value
6 and a description how the thing of value contributed to the
7 public business of industry recruitment, promotion of
8 international trade, or the promotion of travel and tourism. This
9 report shall be posted to the Commission's public Web site.

10 c. A tangible thing of value in excess of ten dollars (\$10.00), other
11 than meals or beverages, shall be turned over as State property
12 to the Department of Commerce within 30 days of receipt.

13 (17) Things of monetary value of personal property valued at less than one
14 hundred dollars (\$100.00) given to an executive branch officer in the
15 commission of the executive branch officer's official duties if the gift
16 is given to the executive branch officer as a personal gift in another
17 country as part of an overseas trade mission, and the giving and
18 receiving of such personal gifts is considered a customary protocol in
19 the other country.

20 (b) For purposes of G.S. 120-47.6 and G.S. 120-47.7, all expenditures made for
21 the purpose of lobbying shall be reported, including the following:

22 (1) Expenditures benefiting or made on behalf of a covered person, a
23 ~~legislative employee~~, or those persons' immediate family members, in
24 the regular course of that person's ~~nonlegislative~~ employment.

25 (2) Contractual arrangements or direct business relationships between a
26 ~~legislative~~ lobbyist or ~~legislative~~ lobbyist's principal and a covered
27 person, ~~legislative employee~~, or that person's immediate family
28 member, in effect during the reporting period or the previous 12
29 months.

30 (3) Expenditures reimbursed to a ~~legislative~~ lobbyist in the ordinary
31 course of business by the lobbyist's principal or other employer.
32 Expenditures reimbursed by the lobbyist's principal or other employer
33 are reported only by the lobbyist.

34 (4) Expenditures for items exempted by subsection (a1) of this section.

35 (e) ~~For reporting purposes of G.S. 120-47.6 and G.S. 120-47.7, legislative~~
36 ~~lobbying with respect to only the legislative actions of the Governor and Lieutenant~~
37 ~~Governor shall be reported.~~

38 (d) The offering or giving of a gift in compliance with this Article without
39 corrupt intent shall not constitute a violation of G.S. 14-217 or G.S. 14-218.

40 **"§ 120-47.6. Statements of ~~legislative~~ lobbyist's lobbying expenditures required.**

41 (a) Each ~~legislative~~ lobbyist shall file ~~monthly~~ quarterly expenditure reports
42 under oath with the Secretary of State, in a manner prescribed by the Secretary of State,
43 which may include electronic reports, with respect to each lobbyist's ~~principal, while the~~
44 ~~General Assembly is in regular session, and quarterly thereafter.~~ principal. The

1 expenditure report shall include all expenditures during the reporting period and shall be
2 due 10 business days after the end of the reporting period. The ~~legislative-lobbyist~~ shall
3 file ~~expense-expenditure~~ reports whether or not expenditures are made.

4 (a1) In addition to the reports required by subsection (a) of this section, each
5 lobbyist incurring expenditures with respect to lobbying legislators and legislative
6 employees shall file a monthly expenditure report while the General Assembly is in
7 regular session. The monthly expenditure report shall contain information required by
8 this section with respect to all lobbying of legislators and legislative employees, and is
9 due within 10 business days of the end of the month. The information on the monthly
10 expenditure report shall also be included in each quarterly report required by subsection
11 (a) of this section.

12 (b) Each expenditure report shall set forth the fair market ~~value,~~value or face
13 value if shown, date, a description of the expenditure, name and address of the payee, or
14 beneficiary, and name of any covered person, ~~legislative-employee,~~ or that person's
15 immediate family member benefiting from the expenditure. Such expenditures shall be
16 reported using the following categories:

17 (1) Transportation and lodging.

18 (2) Entertainment, food, and beverages.

19 (3) Meetings and events.

20 (4) Gifts.

21 (5) Other expenditures.

22 (6) Solicitation of others to lobby, including if such expenditures are
23 incurred in connection or in concert with other reportable
24 expenditures.

25 ~~In addition, expenses for the solicitation of others to lobby, whether or not a covered~~
26 ~~person, legislative-employee, or family member is affected, shall be reportable if such~~
27 ~~expenses are incurred in connection, or in concert, with other expenditures reportable~~
28 ~~under this subsection.~~

29 (c) All reports shall be in the form prescribed by the Secretary of State and shall
30 be open to public inspection upon filing. When more than 15 covered persons benefit
31 from an expenditure, no names of individuals need be reported provided that the report
32 identifies the approximate number of covered persons benefiting and, with particularity,
33 the basis for their selection, including the name of the legislative body, committee,
34 caucus, or other group whose membership list is a matter of public record in accordance
35 with G.S. 132-1 or including a description of the group that clearly distinguishes its
36 purpose or composition from the general membership of the General Assembly. The
37 approximate number of ~~legislative-employees~~ and immediate family members of
38 covered persons ~~and legislative-employees~~ who benefited from the expenditure shall be
39 listed separately.

40 (d) When a ~~legislative-lobbyist~~ fails to file an expenditure report as required in
41 this section, the Secretary of State shall send a certified or registered letter advising the
42 ~~legislative-lobbyist~~ of the delinquency and the penalties provided by law. Within 20
43 days of the receipt of the letter, the ~~legislative-lobbyist~~ shall deliver or post by United

1 States mail to the Secretary of State the required report and an additional late filing fee
2 in an amount equal to the late filing fee under G.S. 163-278.34(a)(2).

3 (e) Filing of the required report and payment of the additional fee within the time
4 extended shall constitute compliance with this section. Failure to file an expenditure
5 report in one of the manners prescribed in this section shall result in revocation of any
6 and all registrations of a legislative lobbyist under this Article. No ~~legislative~~-lobbyist
7 may register or reregister under this Article until the ~~legislative~~-lobbyist has fully
8 complied with this section.

9 (f) Appeal of a decision by the Secretary of State under this section shall be in
10 accordance with Article 3 of Chapter 150B of the General Statutes.

11 (g) The Secretary of State may adopt rules to facilitate complete and timely
12 disclosure of expenditures, including the format of reports and additional categories of
13 information, and to protect the addresses of payees under protective order issued
14 pursuant to Chapter 50B of the General Statutes or participating in the Address
15 Confidentiality Program pursuant to Chapter 15C of the General Statutes. The Secretary
16 of State shall not impose any penalties or late filing fees upon a ~~legislative~~-lobbyist for
17 subsequent failures to comply with the requirements of this section if the Secretary of
18 State failed to provide ~~to~~-the lobbyist with required notifications of the initial violation.
19 This provision shall not apply to a failure by the lobbyist to file an expenditure report in
20 a timely manner.

21 "**§ 120-47.7. Statements of ~~legislative~~-lobbyist's principal lobbying expenditures**
22 **required.**

23 (a) Each ~~legislative~~-lobbyist's principal shall file ~~monthly~~-quarterly expenditure
24 reports under oath with the Secretary of State, in a manner prescribed by the Secretary
25 of State, which may include electronic reports, ~~while the General Assembly is in regular~~
26 ~~session, and quarterly thereafter reports.~~ The expenditure report shall include all
27 expenditures during the reporting period and shall be due 10 business days after the end
28 of the reporting period. The lobbyist's principal shall file the expenditure reports
29 whether or not expenditures are made during a reporting period.

30 (a1) In addition to the reports required by subsection (a) of this section, each
31 lobbyist's principal incurring expenditures with respect to lobbying legislators and
32 legislative employees shall file a monthly expenditure report while the General
33 Assembly is in regular session. The monthly expenditure report shall contain
34 information required by this section with respect to all lobbying of legislators and
35 legislative employees, and is due within 10 business days of the end of the month. The
36 information on the monthly expenditure report shall also be included in each quarterly
37 report required by subsection (a) of this section.

38 (b) Each expenditure report shall set forth the fair market ~~value,~~value or face
39 value if shown, date, a description of the expenditure, name and address of the payee, or
40 beneficiary, and name of any covered person, ~~legislative employee,~~ or that person's
41 immediate family member affected by the expenditure. Such expenditures shall be
42 reported using the following categories:

- 43 (1) Transportation and lodging.
- 44 (2) Entertainment, food, and beverages.

- 1 (3) Meetings and events.
2 (4) Gifts.
3 (5) Other expenditures.
4 (6) Solicitation of others to lobby, including if such expenditures are
5 incurred in connection or in concert with other expenditures reportable
6 under this Article.
7 (7) Compensation paid to all lobbyists during the reporting period. If a
8 legislative lobbyist is a full-time employee of the lobbyist's principal,
9 or is compensated by means of an annual fee or retainer, the lobbyist's
10 principal shall estimate and report the portion of the salary, fee, or
11 retainer that compensates for lobbying.
12 (8) Expenditures reimbursed or paid to lobbyists for lobbying that are not
13 reported on the lobbyist's report, with an itemized description of those
14 expenditures.

15 ~~In addition, expenses for the solicitation of others to lobby, whether or not a covered~~
16 ~~person, legislative employee, or family member is affected, shall be reportable if such~~
17 ~~expenses are incurred in connection, or in concert, with other expenditures reportable~~
18 ~~under this subsection.~~

19 ~~In addition, the compensation paid or agreed to be paid to all legislative lobbyists~~
20 ~~shall be reported, whether or not a covered person, legislative employee, or family~~
21 ~~member is affected. If a legislative lobbyist is a full time employee of the lobbyist's~~
22 ~~principal, or is compensated by means of an annual fee or retainer, the lobbyist's~~
23 ~~principal shall estimate and report the portion of the salary, fee, or retainer that~~
24 ~~compensates for lobbying. The lobbyist's principal's expenditure report shall include an~~
25 ~~itemized description of all expenditures reimbursed or paid to legislative lobbyists for~~
26 ~~lobbying that are not reported on the legislative lobbyists' reports.~~

27 (c) All reports shall be in the form prescribed by the Secretary of State and open
28 to public inspection upon filing. When more than 15 covered persons benefit from an
29 expenditure, no names of individuals need be reported provided that the report identifies
30 the approximate number of covered persons benefiting and, with particularity, the basis
31 for their selection, including the name of the legislative body, committee, caucus, or
32 other group whose membership list is a matter of public record in accordance with
33 G.S. 132-1 or including a description of the group that clearly distinguishes its purpose
34 or composition from the general membership of the General Assembly. The
35 approximate number of ~~legislative employees and immediate family members of~~
36 ~~covered persons and legislative employees who benefited from the expenditure shall be~~
37 listed separately.

38 (d) When a lobbyist's principal fails to file an expenditure report as required in
39 this section, the Secretary of State shall send a certified or registered letter advising the
40 lobbyist's principal of the delinquency and the penalties provided by law. Within 20
41 days of the receipt of the letter, the lobbyist's principal shall deliver or post by United
42 States mail to the Secretary of State the required report and a late filing fee in an amount
43 equal to the late filing fee under G.S. 163-278.34(a)(2).

1 (e) Filing of the required report and payment of the late fee within the time
2 extended shall constitute compliance with this section. Failure to file an expenditure
3 report in one of the manners prescribed in this section shall result in revocation of any
4 and all registrations of a lobbyist's principal under this Article. No lobbyist's principal
5 may register or reregister under this Article until the lobbyist's principal has fully
6 complied with this section.

7 (f) Appeal of a decision by the Secretary of State under this section shall be in
8 accordance with Article 3 of Chapter 150B of the General Statutes.

9 (g) The Secretary of State may adopt rules to facilitate complete and timely
10 disclosure of expenditures, including the format of reports and additional categories of
11 information, and to protect the addresses of payees under protective order issued
12 pursuant to Chapter 50B of the General Statutes or participating in the Address
13 Confidentiality Program pursuant to Chapter 15C of the General Statutes. The Secretary
14 of State shall not impose any penalties or late filing fees upon a principal for subsequent
15 failures to comply with the requirements of this section if the Secretary of State failed to
16 provide to the lobbyist's principal with required notifications of the initial violation.
17 This provision shall not apply to a failure by the principal to file an expenditure report
18 in a timely manner.

19 "§ 120-47.7A. Reserved for future codification purposes.

20 "§ 120-47.7B. Powers and duties of the Secretary of State.

21 (a) The Secretary of State shall perform systematic reviews of reports required to
22 be filed under G.S. 120-47.6 and G.S. 120-47.7 on a regular basis to assure complete
23 and timely disclosure of allowable expenditures.

24 (b) The Secretary of State may petition the Superior Court of Wake County for
25 the approval to issue subpoenas and subpoenas duces tecum as necessary to conduct
26 investigations of violations of this Article. The court shall authorize subpoenas under
27 this subsection when the court determines they are necessary for the enforcement of this
28 Article. Subpoenas issued pursuant to this subsection shall be enforceable by the court
29 through contempt powers. Venue shall be with the Superior Court of Wake County for
30 any nonresident person, or that person's agent, who makes a reportable expenditure
31 under this Article, and personal jurisdiction may be asserted under G.S. 1-75.4.

32 (c) Complaints of violations of this Article and all other records accumulated in
33 conjunction with the investigation of these complaints shall be considered records of
34 criminal investigations under G.S. 132-1.4.

35 "§ 120-47.7C. Prohibitions.

36 (a) No member or former member of the General Assembly may be employed as
37 ~~an executive or legislative~~ a lobbyist by a lobbyist's principal to lobby as defined in this
38 Article ~~or Article 4C of Chapter 147 of the General Statutes~~ within ~~six months~~ one year
39 after the end of that member's service in the General Assembly.

40 (b) No person serving as ~~Governor, as a member of the Council of State,~~ a
41 Constitutional officer of the State or as a head of a principal State department listed in
42 G.S. 143B-6 may be employed as ~~an executive or legislative~~ a lobbyist by a lobbyist's
43 principal to lobby as defined in this Article ~~or Article 4C of Chapter 147 of the General~~
44 ~~Statutes~~ within ~~six months~~ one year after separation from employment or leaving office.

1 (c) No individual registered as a ~~legislative~~-lobbyist shall serve as a campaign
2 treasurer ~~under Chapter 163 of the General Statutes as defined in G.S. 163-278.6(19)~~ for
3 a campaign for election as a member of the ~~General Assembly~~. Assembly or a
4 Constitutional officer of the State.

5 (d) A ~~legislative or executive~~-lobbyist shall not be eligible for appointment by a
6 State official to any body created under the laws of this State that has regulatory
7 authority over the activities of a person that the lobbyist currently represents or has
8 represented within 60 days after the expiration of the lobbyist's registration representing
9 that person. Nothing herein shall be construed to prohibit appointment by any unit of
10 local government.

11 (e) No ~~legislative or executive~~-lobbyist or another acting on the lobbyist's behalf
12 shall permit a covered ~~person~~ person, legislative employee, executive branch officer, or
13 that person's immediate family member, to use the cash or credit of the lobbyist for the
14 purpose of lobbying unless the lobbyist is in attendance at the time of the expenditure.

15 **"§ 120-47.8. Persons exempted from provisions of Article.**

16 Except as otherwise provided in this Article, the provisions of this Article shall not
17 be construed to apply to any of the ~~following~~: following lobbying activities:

18 (1) An individual solely engaged in expressing a personal opinion or
19 stating facts or recommendations on legislative matters to members of
20 the General Assembly and not acting as a legislative lobbyist.

21 (2) A person appearing before a ~~legislative committee~~ committee,
22 commission, board, council, or other collective body whose
23 membership includes one or more covered persons at the invitation or
24 request of the committee or a member thereof and who engages in no
25 further activities as a legislative lobbyist.

26 (3) a. A duly elected or appointed official or employee of the State,
27 the United States, a county, municipality, school district or
28 other governmental agency, when appearing solely in
29 connection with matters pertaining to the office and public
30 duties.

31 b. Notwithstanding the persons exempted in this Article, the
32 ~~Governor, Council of State, Constitutional officers of the State~~
33 and all appointed heads of State departments, agencies and
34 institutions, shall designate all authorized official ~~legislative~~
35 liaison personnel and shall file and maintain current lists of
36 designated ~~legislative~~ liaison personnel with the Secretary of
37 State.

38 (4) A person performing professional services in drafting ~~bills~~ bills, or in
39 advising and rendering opinions to clients, or to covered persons on
40 behalf of clients, as to the construction and effect of proposed or
41 pending ~~legislation~~ legislative or executive action where the
42 professional services are not otherwise connected with the legislative
43 or executive action.

- 1 (5) A person who owns, publishes or is employed by any news medium
2 while engaged in the acquisition or dissemination of news on behalf of
3 the news medium.
- 4 (6) Repealed by Session Laws 1991, c. 740, s. 1.1.
- 5 (7) Covered persons and legislative employees, persons while acting in
6 their official capacity.
- 7 (8) A person responding to inquiries from a ~~member of the General~~
8 ~~Assembly or a legislative employee,~~ covered person and who engages
9 in no further activities as a ~~legislative lobbyist~~ in connection with that
10 or any other legislative ~~matter or executive action.~~
- 11 (9) ~~An employee who represents the employer's interests in action for no~~
12 ~~more than three hours in a quarter, provided that neither the employee~~
13 ~~nor the employer makes any expenditure as defined in G.S. 120-47.1.~~
14 individual while participating in an advocacy day.
- 15 (10) A person appearing before an executive branch agency or department
16 on behalf of another person, on an individual application for a license
17 or permit, or a disciplinary action on a license or permit.
- 18 (11) A person appearing before an executive branch officer on behalf of
19 another person with respect to a proposed sale or lease of real property,
20 goods or services to the State, or construction of property by the State.
- 21 (12) A person appearing before an executive branch agency or department
22 or an executive branch officer on behalf of another person or entity in
23 connection with an application for a grant, loan, determination or
24 eligibility, or certification.

25 **"§ 120-47.8A. Expenditures made by persons exempted or not covered by this**
26 **Article.**

27 (a) If a covered person ~~or a legislative employee~~ accepts an expenditure made for
28 the purpose of lobbying valued over two hundred dollars (\$200.00) from a person or
29 group of persons acting together, exempted or not otherwise covered by this Article, the
30 person, or group of persons, making the expenditure shall report the date, a description
31 of the expenditure, the name and address of the person, or group of persons, making the
32 expenditure, the name of the covered person ~~or legislative employee~~ accepting the
33 expenditure, and the estimated fair market value of the expenditure.

34 (b) If the person making the expenditure in subsection (a) of this section is
35 outside North Carolina, and the covered person ~~or legislative employee~~ accepting the
36 expenditure is also outside North Carolina at the time the person accepts the
37 expenditure, then the person accepting the expenditure shall be responsible for filing the
38 report using available information.

39 (c) If a covered person ~~or a legislative employee~~ accepts a scholarship valued
40 over two hundred dollars (\$200.00) from a person, or group of persons, acting together,
41 exempted or not covered by this Article, the person, or group of persons, granting the
42 scholarship shall report the date of the scholarship, a description of the event involved,
43 the name and address of the person, or group of persons, granting the scholarship, the

1 name of the covered person ~~or legislative employee~~ accepting the scholarship, and the
2 estimated fair market value.

3 (d) If the person granting the scholarship in subsection (c) of this section is
4 outside North Carolina, the covered person ~~or legislative employee~~ accepting the
5 scholarship shall be responsible for filing the report.

6 (e) This section shall not apply to any of the following:

7 (1) Lawful campaign ~~contributions~~; contributions properly received and
8 reported as required under Article 22A of Chapter 163 of the General
9 Statutes.

10 (2) Any gift from a ~~an~~ extended family member to a covered person.
11 person ~~or legislative employee.~~

12 (3) Gifts associated primarily with the covered ~~person's, legislative~~
13 employee's, ~~person's~~ or that person's immediate family member's
14 nonlegislative employment.

15 (4) Gifts, other than food, beverages, travel, and lodging, which are
16 received from a person who is a citizen of a country other than the
17 United States or a state other than North Carolina and given during a
18 ceremonial presentation or as a custom.

19 (5) A thing of value that is paid for by the State.

20 (f) Reports required by this section shall be filed within 10 business days after
21 the end of the quarter in which the expenditure was made, with the Secretary of State in
22 a manner prescribed by the Secretary of State, which may include electronic reports.

23 **"§ 120-47.8B. Advocacy Day.**

24 (a) No lobbyist's principal may conduct more than one advocacy day per
25 calendar year.

26 (b) All advocacy days to lobby the General Assembly must be scheduled through
27 the Legislative Services Office.

28 (c) All advocacy days to lobby executive branch officers must be scheduled
29 through the Governor's Office.

30 (d) All lobbyists' principals conducting an advocacy day shall comply with this
31 Article while conducting the advocacy day.

32 **"§ 120-47.9. Punishment for violation.**

33 (a) Whoever willfully violates any provision of this Article shall be guilty of a
34 Class 1 misdemeanor. In addition, no ~~legislative~~ lobbyist who is convicted of a violation
35 of the provisions of this Article shall in any way act as a ~~legislative or executive~~
36 lobbyist for a period of two years following conviction.

37 (b) In addition to the criminal penalties set forth in this section, the Secretary of
38 State may levy civil fines for willful false or incomplete reporting up to five thousand
39 dollars (\$5,000) per violation.

40 **"§ 120-47.10. Enforcement of Article by Attorney General.**

41 (a) The Secretary of State may investigate complaints of violations of this
42 Article, ~~The Secretary of State and~~ shall report apparent violations of this Article to the
43 Attorney General. The Attorney General shall, upon complaint, make an appropriate
44 investigation thereof, and the Attorney General shall forward a copy of the investigation

1 to the district attorney of the prosecutorial district as defined in G.S. 7A-60 of which
2 Wake County is a part, who shall prosecute any person who violates any provisions of
3 this Article.

4 (b) Complaints of violations of this Article involving the Secretary of State or
5 any member of the Department of the Secretary of State shall be referred to the
6 Attorney General for investigation in accordance with G.S. 120-47.7B. Any portion of
7 the complaint not involving alleged violations of this Article by the Secretary of State or
8 any member of the Department of the Secretary of State shall remain with the Secretary
9 of State for investigation. The Attorney General shall, upon receipt of a complaint,
10 make an appropriate investigation thereof, and the Attorney General shall forward a
11 copy of the investigation to the District Attorney of the prosecutorial district as defined
12 in G.S. 7A-60 of which Wake County is a part, who shall prosecute any person who
13 violates any provisions of this Article.

14 (c) Complaints of improper lobbying involving the Attorney General or any
15 member of the Department of Justice shall be investigated by the Secretary of State and
16 any apparent violations reported to the District Attorney of that prosecutorial district as
17 defined in G.S. 7A-60 of which Wake County is a part. The District Attorney of that
18 prosecutorial district shall, upon receipt of the Secretary of State's report, prosecute any
19 person who violates any provisions of this Article.

20 **"§ 120-47.11. Rules and forms.**

21 (a) The Secretary of State shall adopt any rules, orders, forms, and definitions as
22 are necessary to carry out the provisions of this Article. The Secretary of State may
23 appoint a council to advise the Secretary in adopting rules under this section.

24 (b) The Secretary of State shall adopt rules to protect from disclosure all
25 confidential information under Chapter 132 related to economic development initiatives
26 or to industrial or business recruitment activities. The information shall remain
27 confidential until the State, a unit of local government or the business has announced a
28 commitment by the business to expand or locate a specific project in this State or a final
29 decision not to do so and the business has communicated that commitment or decision
30 to the State or local government agency involved with the project.

31 **"§ 120-47.12. Limitations on agency ~~legislative~~ liaison personnel.**

32 (a) No State department may use State funds to contract with persons who are
33 not employed by the State to lobby the General Assembly.

34 (b) No more than two persons in each State department and constituent
35 institution of The University of North Carolina may be registered to lobby the General
36 Assembly or designated as ~~legislative~~ liaison personnel pursuant to this Article.

37 (c) All persons designated as ~~legislative~~ liaison personnel pursuant to this Article
38 and the State department or constituent institution of The University of North Carolina
39 that employs the ~~legislative~~ liaison personnel shall report all expenditures made for
40 lobbying purposes in the same manner as required for ~~legislative~~ lobbyists under
41 G.S. 120-47.6 and lobbyists' principals under G.S. 120-47.7. The registration and
42 authorization fees required under G.S. 120-47.3 and G.S. 120-47.4 shall not apply to
43 ~~legislative~~ liaison personnel or the State department or constituent institution that
44 employs the ~~legislative~~ liaison personnel."

1 **"§ 120-47.13. Advisory opinions.**

2 (a) At the request of any person affected by this Article, the Secretary of State
3 shall render advisory opinions on specific questions involving the meaning and
4 application of this Article and the covered person's compliance therewith. The request
5 shall be in writing and relate prospectively to real or reasonably anticipated fact settings
6 or circumstances. The Secretary of State shall issue advisory opinions having
7 prospective application only. Reliance upon a requested written advisory opinion on a
8 specific matter shall immunize the covered person, on that matter, from both of the
9 following:

10 (1) Investigation by the Secretary of State.

11 (2) Any adverse action by the employing entity.

12 (b) Staff to the Secretary of State may issue advisory opinions under rules
13 adopted by the Secretary of State.

14 (c) The Secretary of State shall interpret the provisions of this Article by rules,
15 and these interpretations shall be binding on all covered persons, lobbyists, and
16 lobbyists' principal upon publication.

17 (d) The Secretary of State shall publish its advisory opinions at least once a year,
18 edited as necessary to protect the identities of the individuals requesting opinions.

19 (e) Except as provided under subsection (d) of this section, requests for advisory
20 opinions and advisory opinions issued pursuant to this section are confidential and not
21 matters of public record.

22 **"§ 120A-14. Lobbying education program.**

23 (a) The Secretary of State shall develop and implement a lobbying education and
24 awareness program designed to instill in all covered persons, lobbyists, and lobbyists'
25 principals a keen and continuing awareness of their obligations and a sensitivity to
26 situations that might result in real or potential violation of this Article or other related
27 laws. The Secretary shall make basic lobbying education and awareness presentations to
28 all covered persons upon their election, appointment or hiring and shall offer periodic
29 refresher presentations as the Secretary deems appropriate. Every covered person shall
30 participate in a lobbying presentation approved by the Secretary within six months of
31 the person's election, appointment or hiring, and shall attend refresher ethics education
32 presentations at least every two years thereafter in a manner the Secretary deems
33 appropriate. Upon request, the Secretary shall assist each agency in developing in-house
34 education programs and procedures necessary or desirable to meet the agency's
35 particular needs for lobbying education.

36 (b) The Secretary shall publish a newsletter containing summaries of the
37 Secretary's opinions, policies, procedures, and interpretive bulletins as issued from time
38 to time. The newsletter shall be distributed to all covered persons, lobbyists, and
39 lobbyists' principals. Publication under this subsection may be done electronically.

40 (c) The Secretary shall assemble and maintain a collection of relevant State laws,
41 rules, and regulations that set forth lobbying standards applicable to covered persons.
42 The collection of laws, rules and regulations shall be made available electronically as
43 resource material to covered persons, lobbyists and lobbyists' principals, upon request.

44 **"§ 120-15. No gift registry.**

1 (a) The Secretary of State shall establish a "No Gifts" registry for persons subject
2 to this Article. The "No Gifts" registry shall be published and updated with the list of
3 lobbyists and lobbyists' principals required under G.S. 120-47.2.

4 (b) Except as provided in this subsection, lobbyists and lobbyists' principals shall
5 not give unsolicited gifts allowed under G.S. 120-47.5A(a1)(2) to persons placing their
6 names on the registry, without the persons' expressed consent. Gifts of informational
7 directories may be given to persons placing their names on the registry.

8 (c) The Secretary shall have the authority to adopt rules to implement this section
9 in compliance with the following criteria:

10 (1) The registration is valid from the time the person registers until
11 January 1 of the following year, unless the person requests in writing
12 the removal of that person's name.

13 (2) The registration shall be in writing.

14 (d) Violations of this section shall not constitute a crime but shall be subject to
15 civil fines of up to five hundred dollars (\$500.00) as levied by the Secretary of State."

16 **SECTION 4.** Sections 2 and 3 of S.L. 2005-456 are repealed.

17 **SECTION 5.1.** G.S. 163-278.6 is amended by adding a new subsection to
18 read:

19 **"§ 163-278.6. Definitions.**

20 When used in this Article:

21 ...

22 (5a) The term 'Constitutional officers of the State' means officers whose
23 offices are established in Article III of the Constitution.

24 ..."

25 **SECTION 5.2.** Article 22A of Chapter 163 of the General Statutes is
26 amended by adding a new section G.S. 163-278.19A to read:

27 **"§ 163-278.13C. Limitation on contributions by registered lobbyists.**

28 (a) No lobbyist registered under Article 9A of Chapter 120 shall do any of the
29 following:

30 (1) Make or offer to make a contribution to a legislator, executive branch
31 official, or candidate campaign committee.

32 (2) Make a contribution to any candidate, officeholder, or political
33 committee, directing or requesting that the contribution be made in
34 turn to a legislator, executive branch official, or candidate campaign
35 committee.

36 (3) Transfer any amount of money or anything of value to any entity,
37 directing or requesting that the entity use what was transferred to
38 contribute to a legislator, executive branch officer, or candidate
39 campaign committee.

40 (4) Solicit a contribution from any individual, political committee, or other
41 entity on behalf of a legislator, executive branch official, or candidate
42 campaign committee. This subdivision does not apply to a registered
43 lobbyist soliciting a contribution on behalf of a political party
44 executive committee if the solicitation is solely for a separate

1 segregated fund kept by the political party limited to use for activities
2 that are not candidate-specific, including generic voter registration and
3 get-out-the-vote efforts, pollings, mailings, and other general activities
4 and advertising that do not refer to a specific individual candidate.

5 (b) No legislator, executive branch official, or candidate campaign committee or
6 the real or purported agent of that legislator, executive branch official, or candidate
7 campaign committee shall do any of the following:

8 (1) Solicit a contribution from a lobbyist registered under Article 9A of
9 Chapter 120 of the General Statutes.

10 (2) Solicit a third party, requesting or directing that the third party directly
11 or indirectly solicit a contribution from a lobbyist registered under
12 Article 9A of Chapter 120 of the General Statutes or relay to the
13 lobbyist registered under Article 9A of Chapter 120 of the General
14 Statutes the legislator's, executive branch official's, or candidate
15 campaign committee's solicitation of a contribution.

16 (3) Accept a contribution from a lobbyist registered under Article 9A of
17 Chapter 120 of the General Statutes.

18 (c) It shall not be deemed a violation of this section for a legislator or executive
19 branch official to serve on a board or committee of an organization that makes a
20 solicitation of a lobbyist registered under Article 9A of Chapter 120 of the General
21 Statutes as long as that legislator or executive branch official does not directly
22 participate in the solicitation and that legislator or executive branch official does not
23 directly benefit from the solicitation.

24 (d) As used in this section, the following terms mean:

25 (1) Candidate campaign committee. – As defined in G.S. 163-278.38Z and
26 that candidate has filed a notice of candidacy for office as a member of
27 the General Assembly or a Constitutional officer of the State.

28 (2) Executive branch official. – As defined in G.S. 120-47.1(1d)(a).

29 (3) Legislator. – As defined in G.S. 120-47.1(4d).

30 (e) A violation of this section is a Class 2 misdemeanor.

31 **SECTION 5.3.** G.S. 163-278.13B(a)(1) reads as rewritten:

32 "(1) ~~"Limited contributor" means a lobbyist registered pursuant to Article~~
33 ~~9A of Chapter 120 of the General Statutes, that lobbyist's agent, that~~
34 ~~lobbyist's principal as defined in G.S. 120-47.1(7), G.S. 120-47 or a~~
35 ~~political committee that employs or contracts with or whose parent~~
36 ~~entity employs or contracts with a lobbyist registered pursuant to~~
37 ~~Article 9A of Chapter 120 of the General Statutes."~~

38 **SECTION 6.** If any section or provision of this act is declared
39 unconstitutional or invalid by the courts, it does not affect the validity of this act as a
40 whole or any part other than the part so declared to be unconstitutional or invalid.

41 **SECTION 7.** Sections 1, 2, 6, and 7 of this act are effective when the act
42 becomes law, and the new G.S. 120-47.7C(d) applies to appointments made on or after
43 that date. The remainder of this act becomes effective January 1, 2007.