

REFERENCE TITLE: disclosures; lobbyists; gifts

State of Arizona
Senate
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2012

SB 1459

Introduced by
Senator Schapira

AN ACT

AMENDING SECTIONS 38-542, 41-1231, 41-1232.02 AND 41-1232.03, ARIZONA REVISED STATUTES; RELATING TO REGISTRATION AND REGULATION OF LOBBYISTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 38-542, Arizona Revised Statutes, is amended to
3 read:

4 38-542. Duty to file financial disclosure statement; contents;
5 exceptions; electronic reporting

6 A. In addition to other statements and reports required by law, every
7 public officer, as a matter of public record, shall file with the secretary
8 of state on a form prescribed by the secretary of state a verified financial
9 disclosure statement covering the preceding ~~calendar year~~ SIX MONTHS. The
10 statement shall disclose:

11 1. The name and address of the public officer and each member of his
12 household and all names and addresses under which each does business.

13 2. The name and address of each employer and of each other source of
14 compensation other than gifts amounting to more than one thousand dollars
15 received during the preceding ~~calendar year~~ SIX MONTHS by the public officer
16 and members of his household in their own names, or by any other person for
17 the use or benefit of the public officer or members of his household, a
18 description of the services for which the compensation was received and the
19 nature of the employer's business. This paragraph shall not be construed to
20 require the disclosure of individual items of compensation that constituted a
21 portion of the gross income of the business from which the public officer or
22 members of his household derived compensation.

23 3. For a controlled business, a description of the goods or services
24 provided by the business, and if any single source of compensation to the
25 business during the preceding ~~calendar year~~ SIX MONTHS amounts to more than
26 ten thousand dollars and is more than twenty-five per cent of the gross
27 income of the business, the disclosure shall also include a description of
28 the goods or services provided to the source of compensation. For a
29 dependent business the statement shall disclose a description of the goods or
30 services provided by the business and a description of the goods or services
31 provided to the source of compensation from which the dependent business
32 derived the amount of gross income described in section 38-541, paragraph 4.
33 If the source of compensation for a controlled or dependent business is a
34 business, the statement shall disclose a description of the business
35 activities engaged in by the source of compensation.

36 4. The names and addresses of all businesses and trusts in which the
37 public officer or members of his household, or any other person for the use
38 or benefit of the public officer or members of his household, had an
39 ownership or beneficial interest of over one thousand dollars at any time
40 during the preceding ~~calendar year~~ SIX MONTHS, and the names and addresses of
41 all businesses and trusts in which the public officer or any member of his
42 household held any office or had a fiduciary relationship at any time during
43 the preceding ~~calendar year~~ SIX MONTHS, together with the amount or value of
44 the interest and a description of the interest, office or relationship.

1 5. All Arizona real property interests and real property improvements,
2 including specific location and approximate size, in which the public
3 officer, any member of his household or a controlled or dependent business
4 held legal title or a beneficial interest at any time during the preceding
5 ~~calendar-year~~ SIX MONTHS, and the value of any such interest, except that
6 this paragraph does not apply to a real property interest and improvements
7 thereon used as the primary personal residence or for the personal
8 recreational use of the public officer. If a public officer, any member of
9 his household or a controlled or dependent business acquired or divested any
10 such interest during the preceding ~~calendar-year~~ SIX MONTHS, he shall also
11 disclose that the transaction was made and the date it occurred. If the
12 controlled or dependent business is in the business of dealing in real
13 property interests or improvements, disclosure need not include individual
14 parcels or transactions as long as the aggregate value of all parcels of such
15 property is reported.

16 6. The names and addresses of all creditors to whom the public officer
17 or members of his household, in their own names or in the name of any other
18 person, owed a debt of more than one thousand dollars or to whom a controlled
19 business or a dependent business owed a debt of more than ten thousand
20 dollars which was also more than thirty per cent of the total business
21 indebtedness at any time during the preceding ~~calendar-year~~ SIX MONTHS,
22 listing each such creditor. This paragraph shall not be construed to require
23 the disclosure of debts owed by the public officer or any member of his
24 household resulting from the ordinary conduct of a business other than a
25 controlled or dependent business nor shall disclosure be required of credit
26 card transactions, retail installment contracts, debts on residences or
27 recreational property exempt from disclosure under paragraph 5 of this
28 subsection, debts on motor vehicles not used for commercial purposes, debts
29 secured by cash values on life insurance or debts owed to relatives. It is
30 sufficient disclosure of a creditor if the name and address of a person to
31 whom payments are made is disclosed. If the public officer, any member of
32 his household or a controlled or dependent business incurred or discharged a
33 debt which is reportable under this subsection during the preceding ~~calendar~~
34 ~~year~~ SIX MONTHS, the report shall disclose that the transaction was made and
35 the date it occurred.

36 7. The identification and amount of each debt exceeding one thousand
37 dollars owed at any time during the preceding ~~calendar-year~~ SIX MONTHS to the
38 public officer and members of his household in their own names, or to any
39 other person for the use or benefit of the public officer or any member of
40 his household. The disclosure shall include the identification and amount of
41 each debt exceeding ten thousand dollars to a controlled business or
42 dependent business which was also more than thirty per cent of the total
43 indebtedness to the business at any time during the preceding ~~calendar-year~~
44 SIX MONTHS. This paragraph shall not be construed to require the disclosure
45 of debts from the ordinary conduct of a business other than a controlled or

1 dependent business. If the public officer, any member of his household or a
2 controlled or dependent business incurred or discharged a debt which is
3 reportable under this subsection during the preceding year, the report shall
4 disclose that the transaction was made and the date it occurred.

5 8. The name of each source of any gift, or accumulated gifts from a
6 single source, of more than five hundred dollars received by the public
7 officer and members of his household in their own names during the preceding
8 ~~calendar year~~ SIX MONTHS, or by any other person for the use or benefit of
9 the public officer or any member of his household except gifts received by
10 will or by virtue of intestate succession, or received by way of distribution
11 from any inter vivos or testamentary trust established by a spouse or by an
12 ancestor, or gifts received from any other member of the household or
13 relatives to the second degree of consanguinity. Political campaign
14 contributions shall not be construed as gifts if otherwise publicly reported
15 as political campaign contributions as required by law.

16 9. A list of all business licenses issued to, held by or in which the
17 public officer or any member of his household had an interest at any time
18 during the preceding ~~calendar year~~ SIX MONTHS, including the name in which
19 the license was issued, the type of business and its location.

20 10. A list of all bonds, together with their value, issued by this
21 state or any political subdivision of this state and held at any time during
22 the preceding ~~calendar year~~ SIX MONTHS by the public officer or any member of
23 his household, which bonds issued by a single entity had a value in excess of
24 one thousand dollars. If the public officer or any member of his household
25 acquired or divested any bonds during the preceding ~~calendar year which~~ SIX
26 MONTHS THAT are reportable under this paragraph, the fact that the
27 transaction occurred and the date shall also be shown.

28 B. If an amount or value is required to be reported pursuant to this
29 section, it is sufficient to report whether the amount or value of the equity
30 interest falls within:

- 31 1. Category 1, one thousand dollars to twenty-five thousand dollars.
- 32 2. Category 2, more than twenty-five thousand dollars to one hundred
33 thousand dollars.
- 34 3. Category 3, more than one hundred thousand dollars.

35 C. This section does not require the disclosure of any information
36 that is privileged by law.

37 D. The statement required to be filed pursuant to subsection A OF THIS
38 SECTION shall be filed by all persons who qualified as public officers at any
39 time during the preceding ~~calendar year~~ SIX MONTHS on or before January 31
40 AND JULY 31 of each year with the exceptions that a public officer appointed
41 to fill a vacancy shall, within sixty days following his taking of such
42 office, file a financial disclosure statement covering as ~~his annual~~ THE
43 REPORTING period the twelve month period ending with the last full month
44 prior to the date of his taking office, and a public officer whose final term
45 expires less than thirty-one days into the immediately following calendar

1 year may file the public officer's final financial disclosure at the same
2 time as the disclosure for the last immediately preceding year.

3 E. The secretary of state shall prepare written guidelines, forms and
4 samples for completing the financial disclosure statement required by this
5 section. A copy of the guidelines, forms and samples shall be distributed to
6 each public officer and shall be made available to each candidate required to
7 file a financial disclosure statement pursuant to section 38-543.

8 F. THE SECRETARY OF STATE SHALL PROVIDE FOR A METHOD FOR ELECTRONIC
9 FILING OF FINANCIAL DISCLOSURE STATEMENTS REQUIRED PURSUANT TO THIS SECTION
10 OR SECTION 38-543. ON RECEIPT OF THOSE FILINGS, THE SECRETARY OF STATE SHALL
11 MAKE THE INFORMATION AVAILABLE TO THE PUBLIC BY POSTING IT TO THE SECRETARY
12 OF STATE'S WEBSITE, EXCEPT THAT THE SECRETARY OF STATE MAY REDACT THE
13 PERSONAL INFORMATION DEEMED APPROPRIATE BY THE SECRETARY OF STATE.

14 Sec. 2. Section 41-1231, Arizona Revised Statutes, is amended to read:
15 41-1231. Definitions

16 In this article, unless the context otherwise requires:

17 1. "Authorized lobbyist" means any person, other than a designated
18 lobbyist or lobbyist for compensation, who is employed by, retained by or
19 representing a principal with or without compensation for the purpose of
20 lobbying and who is listed as an authorized lobbyist by the principal in its
21 registration pursuant to section 41-1232.

22 2. "Authorized public lobbyist" means a person, other than a
23 designated public lobbyist, who is employed by, retained by or representing a
24 public body, with or without compensation, for the purpose of lobbying and
25 who is listed as an authorized public lobbyist by the public body in its
26 registration pursuant to section 41-1232.01.

27 3. "Designated lobbyist" means the person who is designated by a
28 principal as the single point of contact for the principal and who is listed
29 as the designated lobbyist by the principal in its registration pursuant to
30 section 41-1232.

31 4. "Designated public lobbyist" means the person who is designated by
32 a public body as the single point of contact for the public body and who is
33 listed as the designated public lobbyist by the public body in its
34 registration pursuant to section 41-1232.01.

35 5. "Entertainment" means the amount of any expenditure paid or
36 incurred for admission to any sporting or cultural event or for participation
37 in any sporting or cultural activity.

38 6. "Expenditure" means a payment, distribution, loan, advance, deposit
39 or gift of money or anything of value and includes a contract, promise or
40 agreement, whether or not legally enforceable, to make an expenditure that
41 provides a benefit to an individual state officer or state employee and that
42 is incurred by or on behalf of one or more principals, public bodies,
43 lobbyists, designated public lobbyists or authorized public lobbyists.

44 7. "Family gift" means a gift to a state officer or employee or a
45 member of the officer's or employee's household from a principal, lobbyist,

1 designated public lobbyist or authorized public lobbyist who is a relative of
2 the state officer or employee or a member of the household of the state
3 officer or employee if the donor is not acting as the agent or intermediary
4 for someone other than a person covered by this paragraph.

5 ~~8. "Food or beverage" means the amount of any expenditure paid or~~
6 ~~incurred for food or beverages for a state officer or employee provided at a~~
7 ~~location at which the principal, public body, lobbyist, designated public~~
8 ~~lobbyist or authorized public lobbyist who made the expenditure is present.~~

9 ~~9.~~ 8. "Gift" means a payment, distribution, expenditure, advance,
10 deposit or donation of money, any intangible personal property or any kind of
11 tangible personal or real property. For THE purposes of this article, gift
12 does not include:

13 (a) A gift, devise or inheritance from an individual's spouse, child,
14 parent, grandparent, grandchild, brother, sister, parent-in-law,
15 brother-in-law, sister-in-law, nephew, niece, aunt, uncle or first cousin or
16 the spouse of any such individual if the donor is not acting as the agent or
17 intermediary for someone other than a person covered by this subdivision.

18 ~~(b) Expenditures which are either properly reported or exempt from~~
19 ~~reporting under this chapter for:~~

20 ~~(i) A speaking engagement.~~

21 ~~(ii) Food or beverages.~~

22 ~~(iii) Travel and lodging.~~

23 ~~(iv) Flowers.~~

24 ~~(e)~~ (b) Salary, compensation or employer reimbursed expenses lawfully
25 paid to a public official.

26 ~~(d)~~ (c) The value, cost or price of professional or consulting
27 services that are not rendered to obtain a benefit for any registered
28 principal, public body, lobbyist, designated public lobbyist or authorized
29 public lobbyist or the clients of a principal or lobbyist.

30 ~~(e)~~ (d) Expenses relating to a special event or function to which all
31 members of the legislature, either house of the legislature or any committee
32 of the legislature are invited.

33 ~~(f)~~ (e) A plaque or other form of recognition similar to a plaque to
34 a state officer or state employee to signify the honorary recognition of a
35 service or other notable accomplishment.

36 ~~(g)~~ (f) Informational material such as books, reports, pamphlets,
37 calendars or periodicals.

38 ~~(h)~~ (g) An item that is not used and that is returned within fifteen
39 days of receipt to the donor or that is delivered within fifteen days of
40 receipt to a charitable organization and that is not claimed as a charitable
41 contribution for state or federal income tax purposes.

42 ~~(i)~~ (h) A campaign contribution that is properly received and
43 reported as required by law.

44 ~~(j) An item that is given to a state officer or employee if the state~~
45 ~~officer or employee gives an item of approximately the same value to the~~

1 ~~giver of the item at the same time that the item is given or on a similar~~
2 ~~occasion as the one that prompted the original item to be given.~~

3 ~~(k)~~ (i) Gifts of a personal nature that were customarily received by
4 an individual from the donor before the individual became a state officer or
5 employee.

6 ~~(l)~~ (j) An item that is given to the general public at an event.

7 ~~10.~~ 9. "Legislation" means bills, resolutions, memorials, amendments,
8 nominations and other matters that are pending or proposed in either house of
9 the legislature of this state or, for the purposes of bonding, ~~lobbying for~~
10 any matter pending or proposed before a school district governing board.

11 ~~11.~~ 10. "Lobbying" means attempting to influence the passage or defeat
12 of any legislation by directly communicating with any legislator, or in the
13 case of bonding, lobbyists directly communicating with any school district
14 employee or a school district governing board member, or attempting to
15 influence any formal rule making proceeding pursuant to chapter 6 of this
16 title or rule making proceedings that are exempt from chapter 6 of this title
17 by directly communicating with any state officer or employee. Lobbying does
18 not include:

19 (a) Interagency communications between state agency employees.

20 (b) Communications between a public official or employee of a public
21 body, designated public lobbyist or authorized public lobbyist and any state
22 officer, except for a member of the legislature, or an employee of the
23 legislature.

24 (c) Oral questions or comments made by a person to a state officer or
25 employee regarding a proposed rule and made in public at a meeting or
26 workshop that is open to the public and that is sponsored by a state agency,
27 board, commission, council or office.

28 ~~12.~~ 11. "Lobbyist" means any person, other than a designated public
29 lobbyist or authorized public lobbyist, who is employed by, retained by or
30 representing a person other than himself, with or without compensation, for
31 the purpose of lobbying and who is listed as a lobbyist by the principal in
32 its registration pursuant to section 41-1232. Lobbyist includes a lobbyist
33 for compensation, designated lobbyist and authorized lobbyist. Lobbyist
34 includes attorneys whose practice involves bonding, underwriters of bonds and
35 investment bankers whose business includes bonding.

36 ~~13.~~ 12. "Lobbyist for compensation" means a lobbyist who is
37 compensated for the primary purpose of lobbying on behalf of a principal and
38 who is listed by the principal in its registration pursuant to section
39 41-1232.

40 ~~14.~~ 13. "Person" means an individual, partnership, committee,
41 association or corporation and any other organization or group of persons,
42 except legislators and political parties qualified for representation on the
43 ballot pursuant to section 16-801 or 16-804.

1 ~~15.~~ 14. "Personal hospitality" means hospitality, meals, beverages,
2 transportation or lodging furnished but not commercially provided by a person
3 on property or facilities owned or possessed by the person or the person's
4 family.

5 ~~16.~~ 15. "Principal" means any person, other than a public body, that
6 employs, retains, engages or uses, with or without compensation, a lobbyist.
7 Principal includes any subsidiary of a corporation.

8 ~~17.~~ 16. "Public body" means the Arizona board of regents, a university
9 under the jurisdiction of the Arizona board of regents, the judicial
10 department, any state agency, board, commission or council, any county, any
11 county elected officer who elects to appoint a designated public lobbyist or
12 any city, town, district or other political subdivision of this state that
13 receives and utilizes tax revenues and that employs, retains, engages or
14 uses, with or without compensation, a designated public lobbyist or
15 authorized public lobbyist.

16 ~~18.~~ 17. "Public official" means a person who is duly elected,
17 appointed or retained through election to an elected state, county or local
18 office.

19 ~~19.~~ 18. "Single expenditure" means an expenditure that provides a
20 benefit ~~of more than twenty dollars~~ to an individual state officer or state
21 employee and that is incurred by or on behalf of one or more principals,
22 public bodies, lobbyists, designated public lobbyists or authorized public
23 lobbyists.

24 ~~20. "Speaking engagement":~~

25 ~~(a) Means the amount of any expense paid or incurred for entrance~~
26 ~~fees, lodging, food and beverage, entertainment, travel and other expenses~~
27 ~~for the state officer's or employee's attendance at an event, committee,~~
28 ~~meeting, conference or seminar, including meetings of state, regional or~~
29 ~~national organizations or their committees concerned with legislative or~~
30 ~~governmental activities if the state officer or employee participates in the~~
31 ~~event as a speaker or panel participant by presenting information relating to~~
32 ~~the state officer's or employee's legislative or official duties or by~~
33 ~~performing a ceremonial function appropriate to the state officer's or~~
34 ~~employee's position.~~

35 ~~(b) Does not include expenditures for an honorarium or any other~~
36 ~~similar fee paid to a speaker.~~

37 ~~21.~~ 19. "State employee" means an employee of the legislature, a
38 university under the jurisdiction of the Arizona board of regents, the
39 judicial department or a state office, agency, board, commission or council.

40 ~~22.~~ 20. "State officer" means a person who is duly elected, appointed
41 or retained through election to any state office, or a member of any state
42 board, commission or council, and includes a member of the legislature.

1 is a Saturday, Sunday or other legal holiday. In that case, the report shall
2 be filed the next business day.

3 D. The reports required by subsections A and B of this section shall
4 identify each single expenditure according to the following categories:

- 5 ~~1. Food or beverages.~~
- 6 ~~2. Speaking engagement.~~
- 7 ~~3. Travel and lodging.~~
- 8 ~~4. Flowers.~~

- 9 1. SALARY OR OTHER COMPENSATION.
- 10 2. PROFESSIONAL OR CONSULTING SERVICES.
- 11 3. PLAQUE OR OTHER RECOGNITION.
- 12 4. INFORMATIONAL MATERIAL.
- 13 5. Other expenditures.

14 E. Expenditures by principals and lobbyists such as those for the
15 lobbyist's personal sustenance, office expenses, filing fees, legal fees,
16 employees' compensation, lodging and travel are not required to be reported.
17 In addition, expenditures by a principal or a lobbyist for family gifts,
18 personal hospitality or those items excluded from the definition of gift
19 pursuant to section 41-1231, paragraph ~~9~~ 8, subdivision (a), ~~(c), (d), (f),~~
20 (g), (h), (i), ~~OR (j), (k) or (l)~~ are not required to be reported.

21 F. All expenditures incurred by a principal or lobbyist in the case of
22 special events for legislators, including parties, ~~dinners,~~ athletic events,
23 entertainment and other functions, to which all members of the legislature,
24 either house of the legislature or any committee of the legislature are
25 invited shall be reported. Expenditures are not required to be allocated to
26 individual legislators, but for each such event a description of the event
27 and the date, location, name of the legislative body invited and total
28 expenditures incurred shall be reported. Expenditures for special events
29 held in conjunction with state, national or regional meetings of an
30 organization or association concerned or dealing with legislative or other
31 governmental activities to which all state officers or state employees in
32 attendance at such event are invited shall be reported in the same manner.

33 G. All information required to be filed pursuant to this section with
34 the secretary of state shall be filed in that office and preserved by the
35 secretary of state for five years from the date of filing, after which time
36 the information shall be destroyed. The information is a public record and
37 open to public inspection.

38 H. If a principal, lobbyist for compensation or designated lobbyist
39 makes no expenditures that it would otherwise be required to report during a
40 specified reporting period, the principal, lobbyist for compensation or
41 designated lobbyist may sign a notarized form prescribed by the secretary of
42 state indicating that there were no expenditures during the specific
43 reporting period.

44 I. A person or organization shall not make a gift to or an expenditure
45 on behalf of a state officer or employee through another person or

1 organization for the purpose of disguising the identity of the person making
2 the gift or expenditure.

3 J. A principal or lobbyist or any other person acting on behalf of a
4 principal or lobbyist shall not give to any state officer or state employee
5 and a state officer or state employee shall not accept from a principal or
6 lobbyist either of the following:

7 1. Gifts with a total value of more than ten dollars during any
8 calendar year.

9 2. Gifts that are designed to influence the state officer's or state
10 employee's official conduct.

11 Sec. 4. Section 41-1232.03, Arizona Revised Statutes, is amended to
12 read:

13 41-1232.03. Expenditure reporting; public bodies and public
14 lobbyists; gifts

15 A. Each public body shall report annually all single expenditures
16 received by or benefitting a member of the legislature whether or not the
17 expenditures were made in the course of lobbying. These expenditures shall
18 be itemized separately, and each itemization shall include the date of the
19 expenditure, the amount of the expenditure, the name of each member of the
20 legislature receiving or benefitting from the expenditure, the category of
21 the expenditure and the name of the designated public lobbyist or authorized
22 public lobbyist who made the expenditure on behalf of the public body. In
23 addition each public body shall report annually the aggregate of all
24 expenditures of twenty dollars or less received by or benefitting a member of
25 the legislature, whether or not the expenditures were made in the course of
26 lobbying. The report shall list all expenditures by the public body made in
27 the course of lobbying for the personal sustenance, filing fee, legal fees,
28 employees' compensation, meals, lodging and travel of the designated public
29 lobbyist and all authorized public lobbyists employed or retained by, and
30 representing, the public body. The public body shall apportion expenditures
31 that are attributable both to lobbying and to other activities of the public
32 body and shall report only the portion attributable to lobbying. For the
33 purpose of reporting employee compensation, a public body, on establishing a
34 time allocation schedule for apportioned lobbying activity based on actual
35 experience under this article, may submit after the 1993 calendar year an
36 affidavit to the secretary of state stating the compensation attributable to
37 lobbying for subsequent years for the designated public lobbyist and all
38 authorized public lobbyists whose job responsibilities have not been
39 significantly altered since the time allocation schedule was established.
40 The report shall be filed by March 1 and shall list the annual expenditures
41 made on behalf of the public body. If March 1 is a Saturday, Sunday or other
42 legal holiday, the report shall be filed on the next business day.

43 B. Each designated public lobbyist shall report quarterly all single
44 expenditures received by or benefitting a member of the legislature and
45 incurred in the preceding calendar quarter by the designated public lobbyist,

1 whether or not the single expenditures were made in the course of lobbying.
2 Each designated public lobbyist's report shall also include all single
3 expenditures incurred in the preceding calendar quarter by each authorized
4 public lobbyist who is registered pursuant to section 41-1232.01 by the same
5 public body that registered the designated public lobbyist. This subsection
6 does not apply to an expenditure that was made by a designated public
7 lobbyist or authorized public lobbyist and that was received by or benefitted
8 an employee of a public body, if the employee is not a member or employee of
9 the legislature or a member of the household of a member or employee of the
10 legislature. These expenditures shall be itemized separately, and each
11 itemization shall include the date of the expenditure, the amount of the
12 expenditure, the name of the member or employee receiving or benefitting from
13 the expenditure, the category of the expenditure and the public body on whose
14 behalf the expenditure was made. If the expenditure was made by the
15 designated public lobbyist or authorized public lobbyist and was not made on
16 behalf of a public body, it shall be itemized separately. The quarterly
17 report shall be filed no later than the last day of the month following the
18 end of the calendar quarter, unless the last day of the month is a Saturday,
19 Sunday or other legal holiday. In that case, the report shall be filed on
20 the next business day.

21 C. Each designated public lobbyist shall also report quarterly the
22 aggregate of all expenditures of twenty dollars or less received by or
23 benefitting a member of the legislature, whether or not the expenditures were
24 made in the course of lobbying. Each designated public lobbyist's report
25 shall also include the aggregate of all expenditures of twenty dollars or
26 less that were received by or benefitted a member of the legislature and that
27 were made by an authorized public lobbyist who is registered pursuant to
28 section 41-1232.01 by the same public body that registered the designated
29 public lobbyist. This subsection does not apply to an expenditure that was
30 made by a designated public lobbyist or authorized public lobbyist and that
31 was received by or benefitted an employee of a public body, if the employee
32 is not a member or employee of the legislature or a member of the household
33 of a member or employee of the legislature. The report shall list separately
34 the aggregate of expenditures made on behalf of each public body and the
35 aggregate not made on behalf of any public body. In the fourth calendar
36 quarter, these expenditures shall also be listed by cumulative total for the
37 calendar year. Each quarterly lobbyist report shall include all reportable
38 expenditures made by any employee of the designated public lobbyist or
39 authorized public lobbyist, regardless of whether that employee is listed as
40 a designated public lobbyist or authorized public lobbyist on any
41 registration filed by a public body engaging the designated public lobbyist
42 or authorized public lobbyist. The quarterly report shall be filed no later
43 than the last day of the month following the end of the calendar quarter,
44 unless the last day of the month is a Saturday, Sunday or other legal
45 holiday. In that case, the report shall be filed on the next business day.

1 D. The reports required by subsections A and B of this section shall
2 identify the nature of each single expenditure according to the following
3 categories:

- 4 ~~1. Food or beverages.~~
- 5 ~~2. Speaking engagement.~~
- 6 ~~3. Travel and lodging.~~
- 7 ~~4. Flowers.~~

- 8 1. SALARY OR OTHER COMPENSATION.
- 9 2. PROFESSIONAL OR CONSULTING SERVICES.
- 10 3. PLAQUE OR OTHER RECOGNITION.
- 11 4. INFORMATIONAL MATERIAL.
- 12 5. Other expenditures.

13 E. Expenditures by a public body, designated public lobbyist or
14 authorized public lobbyist for personal sustenance, family gifts, personal
15 hospitality or those items excluded from the definition of gift pursuant to
16 section 41-1231, paragraph ~~9~~ 8, subdivision (a), ~~(c), (d), (f)~~, (g), (h),
17 (i), ~~OR (j), (k) or (l)~~ are not required to be reported.

18 F. All expenditures incurred by a public body, designated public
19 lobbyist or authorized public lobbyist in the case of special events for
20 legislators, including parties, ~~dinners~~, athletic events, entertainment and
21 other functions, to which all members of the legislature, either house of the
22 legislature or any committee of the legislature are invited shall be
23 reported. Expenditures are not required to be allocated to individual
24 legislators, but for each such event a description of the event and the date,
25 location, name of the legislative body invited and total expenditures
26 incurred shall be reported. Expenditures for special events held in
27 conjunction with state, national or regional meetings of an organization or
28 association concerned or dealing with legislative or other governmental
29 activities to which all members or employees of the legislature in attendance
30 at such event are invited shall be reported in the same manner.

31 G. All information required to be filed pursuant to this section with
32 the secretary of state shall be filed in that office and preserved by the
33 secretary of state for five years from the date of filing, after which time
34 the information shall be destroyed. The information is a public record and
35 open to public inspection.

36 H. If a public body or designated public lobbyist makes no
37 expenditures that it would otherwise be required to report during a specified
38 reporting period, the public body or designated public lobbyist may sign a
39 notarized form prescribed by the secretary of state indicating that there
40 were no expenditures during the specific reporting period.

41 I. A person or organization shall not make a gift to or an expenditure
42 on behalf of a member or employee of the legislature through another person
43 or organization for the purpose of disguising the identity of the person
44 making the gift or expenditure.

1 J. A public body, designated public lobbyist or authorized public
2 lobbyist or any other person acting on behalf of a public body, designated
3 public lobbyist or authorized public lobbyist shall not give to any member of
4 the legislature and a member of the legislature shall not accept from a
5 public body, designated public lobbyist or authorized public lobbyist either
6 of the following:

7 1. Gifts with a total value of more than ten dollars during any
8 calendar year.

9 2. Gifts that are designed to influence the member's or employee's
10 official conduct.

11 K. Subsection J of this section does not apply to gifts given by a
12 public body, designated public lobbyist or authorized public lobbyist to an
13 employee of a public body, if the employee is not a public official or a
14 member of the household of a public official or if the gift is accepted on
15 behalf of the public body and remains the property of the public body.