

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 539  
Commerce Committee Substitute Adopted 4/23/97

Short Title: Lobbyist Disclosure.

(Public)

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Sponsors:

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Referred to:

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March 27, 1997

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

3 The General Assembly of North Carolina enacts:

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

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

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

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

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

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

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

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

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

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

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

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

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

1 of lobbying activities, whether or not any lobbying occurred. The report of lobbying  
2 activities shall state the specific issues upon which that lobbyist engaged in lobbying as  
3 defined in G.S. 120-47.1, including, to the maximum extent practicable, a list of bill  
4 numbers.

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

8 (d) When a lobbyist fails to file a lobbying expense report or report of lobbying  
9 activities as required herein, the Secretary of State shall send a certified or registered  
10 letter advising the lobbyist of the delinquency and the penalties provided by law. Within  
11 20 days of the receipt of the letter, the lobbyist shall deliver or post by United States mail  
12 to the Secretary of State the required report and an additional late filing fee of ten dollars  
13 (\$10.00). Filing of the required report and payment of the additional fee within the time  
14 extended shall constitute compliance with this section. Failure to file ~~an expense a~~ report  
15 in one of the manners prescribed herein shall result in revocation of any and all  
16 registrations of a lobbyist under this Article. No lobbyist may register or reregister under  
17 this Article until he has fully complied with this section."

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

19 "**§ 120-47.7. Statements ~~of~~ by lobbyist's principal of lobbying expenses and of**  
20 **lobbying activities required.**

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

28 (b) The expense report shall include all expenditures made between January 1 and  
29 the last day of the regular session. The principal shall file a supplemental report including  
30 all expenditures made after the last day of the regular session, but during the calendar  
31 year, by February 28 of the following year. The principal shall file both expense reports  
32 whether or not expenditures are made. Each expense report shall set forth the name and  
33 address of each lobbyist employed, appointed, or retained by the lobbyist's principal, the  
34 date of each expenditure made, to whom paid, name of any legislator who benefitted  
35 from each expenditure, and amount of each expenditure made during the previous  
36 reporting period in connection with lobbying, in each of the following categories: (1)  
37 transportation, (2) lodging, (3) entertainment, (4) food, (5) any item having a cash  
38 equivalent value of more than twenty-five dollars (\$25.00), (6) contributions made, paid,  
39 incurred or promised, directly or indirectly, and (7) compensation to lobbyists in  
40 connection with their lobbying activities. It shall not be necessary to report expenditures  
41 of twenty-five dollars (\$25.00) or less, nor shall it be necessary to report any expenditures  
42 made in connection with the attendance of a legislator at any fund-raising function or  
43 event sponsored by a nonprofit organization qualified under 26 U.S.C. § 501(c). When

1 more than 10 members of the General Assembly benefitted or were invited to benefit  
2 from an expenditure, the principal shall not be required to report the name of any  
3 legislator, but shall be required to report the number of legislators or the basis for their  
4 selection. In the category of compensation to lobbyists the principal shall estimate and  
5 report the compensation paid or promised directly or indirectly, to all lobbyists based on  
6 the estimated time, effort and expense in connection with lobbying activities on behalf of  
7 the principal. If a lobbyist is a full-time employee of the principal, or is compensated by  
8 means of an annual fee or retainer, the principal shall estimate and report the portion of  
9 all such lobbyists' salaries or retainers that compensate the lobbyists for lobbying.

10 (b1) The report of lobbying activities shall cover the period between January 1 and  
11 the last day of the regular session. The principal shall file a supplemental report covering  
12 all lobbying activities engaged in after the last day of the regular session, but during the  
13 calendar year, by February 28 of the following year. The principal shall file both reports  
14 of lobbying activities, whether or not lobbying occurred. The report of lobbying activities  
15 shall state the following:

16 (1) The name and address of each lobbyist employed, appointed, or retained  
17 by the principal; and

18 (2) A list of the specific issues upon which each lobbyist lobbied on behalf  
19 of the principal, including, to the maximum extent practicable, a list of  
20 the bill numbers.

21 (b2) The principal shall state in its report of lobbying activities the name of any  
22 political committee of which it is the parent entity under the provisions of G.S. 163-  
23 278.19.

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

27 (d) When a lobbyist's principal fails to file a lobbying expense report or a report of  
28 lobbying activities as required herein, the Secretary of State shall send a certified or  
29 registered letter advising the lobbyist's principal of the delinquency and the penalties  
30 provided by law. Within 20 days of the receipt of the letter, the lobbyist's principal shall  
31 deliver or post by United States mail to the Secretary of State the required report and a  
32 late filing fee of ten dollars (\$10.00). Filing of the required report and payment of the late  
33 fee within the time extended shall constitute compliance with this section."

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