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THIS DOCUMENT INCLUDES BOTH THE BILL AND ALSO A TRANSMITTAL LETTER THAT CONTAINS PASSED AMENDMENTS BUT NOT INCORPORATED INTO THE BILL.

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House of Representatives *State of Utah*

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March 6, 2002 (11:20pm)

Mr. President:

The House passed **2nd Sub. S.B. 149**, ETHICS AMENDMENTS, by Senator L. S. Poulton, with the following amendments:

1. Page 3, line 79 after "exceed" bracket "\$50" and insert "\$10"
2. Page 3, line 85 after "exceeds" bracket "\$50" and insert "\$10"
3. Page 5, line 121 after "exceeds" delete "\$50" and insert "\$10"
4. Page 5, line 141 after "exceeds" delete "\$50" and insert "\$10"
5. Page 6, line 165 delete "\$50" and insert "\$10"

and returns it to the Senate for further consideration.

Respectfully,

Carole E. Peterson
Chief Clerk

Senator L. Steven Poulton proposes the following substitute bill:

ETHICS AMENDMENTS

2002 GENERAL SESSION

STATE OF UTAH

Sponsor: L. Steven Poulton

John L. Valentine

This act modifies the Election Code and the Lobbyist Disclosure and Regulation Act to require certain reports to be made available on the Internet within a specified time. This act modifies certain reporting requirements. This act modifies lobbyist financial reporting requirements to govern situations where multiple lobbyists split expenditures and where a single lobbyist splits expenditures between multiple clients. This act makes technical corrections.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

20A-11-1002, as last amended by Chapter 355, Laws of Utah 1997

36-11-106, as last amended by Chapter 338, Laws of Utah 2000

36-11-201, as last amended by Chapter 338, Laws of Utah 2000

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **20A-11-1002** is amended to read:

20A-11-1002. Retention and public inspection of financial statements -- Written complaint if statement is false or unlawful.

(1) The chief election officer shall:

(a) make each financial statement required by this chapter;

(i) open to public inspection in the office of the chief election officer; and

(ii) available for viewing on the Internet at the lieutenant governor's website within seven calendar days after the report is received by the chief election officer;



26 (b) preserve those statements for at least five years; and
27 (c) provide certified copies of the financial statements in the same manner as for other
28 public records.

29 (2) Any candidate or voter may file a written complaint with the chief election officer
30 alleging that a filed financial statement does not conform to law or to the truth.

31 Section 2. Section **36-11-106** is amended to read:

32 **36-11-106. Reports are public documents.**

33 (1) Any person may:

34 ~~[(1)]~~ (a) without charge, inspect a license application or financial report filed with the
35 lieutenant governor in accordance with this chapter; and

36 ~~[(2)]~~ (b) make a copy of a report after paying for the actual costs of the copy.

37 (2) The lieutenant governor shall make financial reports filed in accordance with this
38 chapter available for viewing on the Internet at the lieutenant governor's website within seven
39 calendar days after the report is received by the lieutenant governor.

40 Section 3. Section **36-11-201** is amended to read:

41 **36-11-201. Lobbyist, principal, and government officer financial reporting**
42 **requirements -- Prohibition for related person to make expenditures.**

43 (1) As used in this section, "public official type" means a notation to identify whether the
44 public official is:

45 (a) a member of the legislature;

46 (b) an individual elected to a position in the executive branch;

47 (c) an individual appointed to or employed in a position in the legislative branch who
48 meets the definition of public official in Section 36-11-102; or

49 (d) an individual appointed to or employed in a position in the executive branch who meets
50 the definition of public official in Section 36-11-102.

51 ~~[(1)]~~ (2) (a) (i) Each lobbyist, principal, and government officer shall file an annual
52 financial report with the lieutenant governor on January 10 of each year or on the next succeeding
53 business day if January 10 falls on a Saturday, Sunday, or legal holiday. The report shall be
54 considered timely filed if postmarked on its due date.

55 (ii) The report shall disclose expenditures made to benefit public officials or members of
56 their immediate families as provided in this section.

57 (iii) If the lobbyist made no expenditures since the last expenditure reported on the last
58 report filed, the lobbyist shall file a financial report listing the amount of expenditures as "none."

59 (b) The January 10 report shall contain:

60 (i) (A) the total amount of expenditures made to benefit public officials during the last
61 calendar year; and

62 (B) the total amount of expenditures made to benefit public officials by public official type
63 during the last calendar year ;

64 (ii) (A) the total travel expenditures that the lobbyist, principal, or government officer
65 made to benefit public officials and their immediate families during the last calendar year; and

66 (B) the total travel expenditures that the lobbyist, principal, or government officer made
67 to benefit public officials and their immediate families by public official type during the last
68 calendar year; and

69 [~~(B)~~] (C) a travel expenditure statement that:

70 (I) describes the destination of each trip and its purpose;

71 (II) identifies the total amount of expenditures made to benefit each public official and
72 members of the public official's immediate family for each trip;

73 (III) names all individuals that took each trip;

74 (IV) identifies the public official type to which each public official belongs;

75 [~~(IV)~~] (V) provides the name and address of the organization that sponsored each trip; and

76 [~~(V)~~] (VI) identifies specific expenditures for food, lodging, gifts, and sidetrips;

77 (iii) for aggregate daily expenditures made to benefit public officials or members of their
78 immediate families that are not reportable under Subsection [~~(1)~~] (2)(b):

79 (A) when the amount does not exceed \$50 per person:

80 (I) the date of the expenditure;

81 (II) the purpose of the expenditure; [~~and~~]

82 (III) the public official type to which each public official belongs; and

83 [~~(III)~~] (IV) the total monetary worth of the benefit conferred on the public officials or
84 members of their immediate families;

85 (B) when the amount exceeds \$50 per person:

86 (I) the date, location, and purpose of the event, activity, or expenditure;

87 (II) the name of the public official or member of the public official's immediate family who

88 attended the event or activity or received the benefit of the expenditure; [~~and~~]

89 (III) the public official type to which each public official belongs; and

90 [~~(III)~~] (IV) the total monetary worth of the benefit conferred on the public official or
91 member of the public official's immediate family;

92 (iv) a list of each public official who was employed by the lobbyist, principal, or
93 government officer or who performed work as an independent contractor for the lobbyist,
94 principal, or government officer during the last year that details the nature of the employment or
95 contract;

96 (v) each bill or resolution by number and short title on behalf of which the lobbyist,
97 principal, or government officer made an expenditure to a public official for which a report is
98 required by this section, if any;

99 (vi) a description of each executive action on behalf of which the lobbyist, principal, or
100 government officer made an expenditure to a public official for which a report is required by this
101 section, if any; and

102 (vii) the general purposes, interests, and nature of the organization or organizations that
103 the lobbyist, principal, or government officer filing the report represents.

104 (c) In reporting expenditures under this section for events to which all legislators are
105 invited, each lobbyist, principal, and government officer:

106 (i) may not divide the cost of the event by the number of legislators who actually attend
107 the event and report that cost as an expenditure made to those legislators;

108 (ii) shall divide the total cost by the total number of Utah legislators and others invited to
109 the event and report that quotient as the amount expended for each legislator who actually attended
110 the event; and

111 (iii) may not report any expenditure as made to a legislator who did not attend the event.

112 (3) (a) As used in this Subsection (3):

113 (i) "Lobbyist group" means two or more lobbyists, principals, government officers, and
114 any combination of lobbyists, principals, and officers who each contribute a portion of an
115 expenditure made to benefit a public official or member of his immediate family.

116 (ii) "Multi-client lobbyist" means a single lobbyist, principal, or government officer who
117 represents two or more clients and divides the aggregate daily expenditure made to benefit a public
118 official or member of his immediate family between two or more of those clients.

119 (b) When a lobbyist group combines to make aggregate daily expenditures to benefit
120 public officials or members of their immediate families, and the total aggregate daily expenditure
121 of the lobbyist group exceeds \$50 per person, each member of the lobbyist group shall disclose on
122 the reports required by this section:

123 (i) the date, location, and purpose of the event, activity, or expenditure;

124 (ii) the name of the public official or member of the public official's immediate family who
125 attended the event or activity or received the benefit of the expenditure;

126 (iii) the public official type to which each public official belongs;

127 (iv) the total monetary worth of the benefit conferred on the public official or member of
128 the public official's immediate family by the lobbyist group and the total monetary worth of the
129 benefit conferred upon the public official or member of the public official's immediate family by
130 the lobbyist, principal, or government officer filing the report;

131 (v) each bill or resolution by number and short title on behalf of which the lobbyist,
132 principal, or government officer made an expenditure to a public official for which a report is
133 required by this section, if any;

134 (vi) a description of each executive action on behalf of which the lobbyist, principal, or
135 government officer made an expenditure to a public official for which a report is required by this
136 section, if any; and

137 (vii) the general purposes, interests, and nature of the organization or organizations that
138 the lobbyist, principal, or government officer filing the report represents.

139 (c) When a multi-client lobbyist makes aggregate daily expenditures to benefit public
140 officials or members of their immediate families, and the sum of the total aggregate daily
141 expenditure for all of the lobbyist's clients exceeds \$50 for a public official or family member, the
142 multi-client lobbyist shall, for each client, disclose on the reports required by this section:

143 (i) the date, location, and purpose of the event, activity, or expenditure;

144 (ii) the name of the public official or member of the public official's immediate family who
145 attended the event or activity or received the benefit of the expenditure;

146 (iii) the public official type to which each public official belongs;

147 (iv) the total monetary worth of the benefit conferred on the public official or member of
148 the public official's immediate family by all clients and the total monetary worth of the benefit
149 conferred on the public official or member of the public official's immediate family by the client

150 upon whose behalf the report is filed;

151 (v) each bill or resolution by number and short title on behalf of which the lobbyist,
152 principal, or government officer made an expenditure to a public official for which a report is
153 required by this section, if any;

154 (vi) a description of each executive action on behalf of which the lobbyist, principal, or
155 government officer made an expenditure to a public official for which a report is required by this
156 section, if any; and

157 (vii) the general purposes, interests, and nature of the organization or organizations that
158 the lobbyist, principal, or government officer filing the report represents.

159 [~~2~~] (4) A related person may not, while assisting a lobbyist, principal, or government
160 officer in lobbying, make an expenditure that benefits a public official or member of the public
161 official's immediate family under circumstances which would otherwise fall within the disclosure
162 requirements of this chapter if the expenditure was made by the lobbyist, principal, or government
163 officer.

164 [~~3~~] (5) (a) Each lobbyist, principal, and government officer who makes expenditures
165 totaling \$50 or more to benefit public officials or members of their immediate families since the
166 date of the last financial report filed shall file a financial report with the lieutenant governor on:

- 167 (i) the date ten days after the last day of each annual general session;
168 (ii) the date seven days before a regular general election; and
169 (iii) the date seven days after the end of a special session or veto override session.

170 (b) (i) If any date specified in this Subsection [~~3~~] (5) falls on a Saturday, Sunday, or legal
171 holiday, the report is due on the next business day or on the next succeeding business day, if the
172 due date falls on a Saturday, Sunday, or legal holiday.

173 (ii) The report shall be considered timely filed if it is postmarked on its due date.

174 (c) Each report shall contain a listing of all expenditures made since the last expenditure
175 reported on the last report filed in the form specified in Subsection [~~1~~] (2)(b) and, when
176 applicable, Subsection (3).

177 [~~4~~] (6) Each financial report filed by a lobbyist shall contain a certification that the
178 information provided in the report is true, accurate, and complete to the lobbyist's best knowledge
179 and belief.

180 [~~5~~] (7) The lieutenant governor shall:

- 181 (a) develop preprinted suggested forms for all statements required by this section; and
182 (b) make copies of the forms available to each person who requests them.