

**Senator Gregory S. Bell** proposes the following substitute bill:

**GOVERNMENT LAW CHANGES**

2007 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Sheldon L. Killpack**

House Sponsor: Brad L. Dee

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12	Fred J. Fife	Wayne L. Niederhauser	Carlene M. Walker
13	Jon J. Greiner		

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**LONG TITLE**

**General Description:**

This bill modifies provisions in the Lobbyist Disclosure and Regulation Act, the Utah Public Officers' and Employees' Ethics Act, and the campaign finance requirements of the Election Code.

**Highlighted Provisions:**

This bill:

- ▶ requires that officeholders file annual campaign finance summary reports;
- ▶ provides and modifies definitions;
- ▶ removes reporting exemptions from certain travel, lodging, and meal expense reimbursements;
- ▶ clarifies disclosure requirements for public officials, elected officials of local governments, and certain state employees under the Lobbyist Disclosure and



28 Regulation Act;

- 29       ▶ requires that financial expenditure reports be filed on a quarterly schedule;
- 30       ▶ requires the report due on January 10 to list total expenditures for the previous year;
- 31       ▶ permits financial reports to be filed electronically, consistent with current practice;
- 32       ▶ requires that lobbyists file quarterly expense reports even when no expenses have
- 33 been made;
- 34       ▶ requires that lobbyists and principals be subject to reporting requirements until they
- 35 cease lobbying;
- 36       ▶ requires a lobbyist, principal, government officer, or member of a lobbyist group to
- 37 disclose a recipient's name, the amount of the benefit conferred on each recipient,
- 38 and other information for the following:
  - 39           • reimbursement or payment for travel or lodging costs;
  - 40           • the cost of admission to a professional or collegiate sporting event;
  - 41           • the cost of tangible personal property, if the aggregate daily expenditures made
  - 42 for the recipient are more than \$10;
  - 43           • the cost of food and beverage, if the aggregate daily expenditures made for the
  - 44 recipient are valued at more than \$50; and
  - 45           • the cost of any other expenditure, if the aggregate daily expenditures made for
  - 46 the recipient are more than \$50;
- 47       ▶ provides that other reportable expenditures are reported by public official type,
- 48 rather than by name;
- 49       ▶ establishes conflict of interest standards for lobbyists;
- 50       ▶ modifies a provision in the Public Officers' and Employees' Ethics Act; and
- 51       ▶ makes technical changes.

52 **Monies Appropriated in this Bill:**

53       None

54 **Other Special Clauses:**

55       This bill coordinates with H.B. 62, Lobbyist Disclosure Technical Amendments, by

56 providing superseding amendments.

57 **Utah Code Sections Affected:**

58 AMENDS:

- 59            **20A-11-401**, as last amended by Chapter 355, Laws of Utah 1997
- 60            **36-11-102**, as last amended by Chapter 13, Laws of Utah 1998
- 61            **36-11-201**, as last amended by Chapter 27, Laws of Utah 2003
- 62            **36-11-304**, as enacted by Chapter 192, Laws of Utah 1995
- 63            **67-16-5**, as last amended by Chapter 25, Laws of Utah 2005

64 ENACTS:

- 65            **36-11-201.3**, Utah Code Annotated 1953
- 66            **36-11-306**, Utah Code Annotated 1953



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

69            Section 1. Section **20A-11-401** is amended to read:

70            **20A-11-401. Officeholder financial reporting requirements -- Year-end summary**  
71 **report.**

72            (1) (a) Each officeholder shall file a summary report by January 5 of [~~the year after the~~  
73 ~~regular general election~~] each year.

74            (b) An officeholder that is required to file a summary report both as an officeholder and  
75 as a candidate for office under the requirements of this chapter may file a single summary  
76 report as a candidate and an officeholder, provided that the combined report meets the  
77 requirements of:

78            (i) this section; and

79            (ii) the section that provides the requirements for the summary report that must be filed  
80 by the officeholder in the officeholder's capacity of a candidate for office.

81            (2) (a) Each summary report shall include the following information as of December 31  
82 of the last [~~regular general election~~] year:

83            (i) the net balance of the last summary report, if any;

84            (ii) a single figure equal to the total amount of receipts received since the last summary  
85 report, if any;

86            (iii) a single figure equal to the total amount of expenditures made since the last  
87 summary report, if any;

88            [~~(iv)~~] (iv) a detailed listing of each contribution and public service assistance received  
89 since the last summary report;

90            [~~(iii)~~] (v) for each nonmonetary contribution, the fair market value of the contribution;  
91            [~~(iv)~~] (vi) a detailed listing of each expenditure made since the last summary report;  
92            [~~(v)~~] (vii) for each nonmonetary expenditure, the fair market value of the expenditure;

93 and

94            [~~(vi)~~] (viii) a net balance for the year consisting of the net balance from the last  
95 summary report plus all receipts minus all expenditures.

96            (b) (i) For all individual contributions or public service assistance of \$50 or less, a  
97 single aggregate figure may be reported without separate detailed listings.

98            (ii) Two or more contributions from the same source that have an aggregate total of  
99 more than \$50 may not be reported in the aggregate, but shall be reported separately.

100            (c) In preparing the report, all receipts and expenditures shall be reported as of  
101 December 31 of the last [~~regular general election~~] calendar year.

102            (3) The summary report shall contain a paragraph signed by the officeholder certifying  
103 that, to the best of the officeholder's knowledge, all receipts and all expenditures have been  
104 reported as of December 31 of the last [~~regular general election~~] calendar year and that there  
105 are no bills or obligations outstanding and unpaid except as set forth in that report.

106            Section 2. Section **36-11-102** is amended to read:

107            **36-11-102. Definitions.**

108            As used in this chapter:

109            (1) "Aggregate daily expenditures" means:

110            (a) for a single lobbyist, principal, or government officer, the total of all expenditures  
111 made within a [24-hour period:] calendar day by the lobbyist, principal, or government officer  
112 for the benefit of an individual public official;

113            (b) when an expenditure is made by a member of a lobbyist group, the total of all  
114 expenditures made within a calendar day by every member of the lobbyist group for the benefit  
115 of an individual public official; or

116            (c) for a multiclient lobbyist, the total of all expenditures made by the multiclient  
117 lobbyist within a calendar day for the benefit of an individual public official, regardless of  
118 whether expenditures were attributed to different clients.

119            (2) "Executive action" means:

120            (a) nominations and appointments by the governor;

121 (b) the proposal, drafting, amendment, enactment, or defeat by a state agency of any  
122 rule made in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act; and

123 (c) agency ratemaking proceedings.

124 (3) (a) "Expenditure" means any of the items listed in this Subsection (3)(a) when  
125 given to or for the benefit of a public official [~~or his immediate family~~]:

126 (i) a purchase, payment, distribution, loan, gift, advance, deposit, subscription,  
127 forbearance, services, or goods, unless consideration of equal or greater value is received; and

128 (ii) a contract, promise, or agreement, whether or not legally enforceable, to provide  
129 any of the items listed in Subsection (3)(a)(i).

130 (b) "Expenditure" does not mean:

131 (i) a commercially reasonable loan made in the ordinary course of business;

132 (ii) a campaign contribution reported in accordance with Title 20A, Chapter 11,

133 [~~Corrupt Practices in Elections~~] Campaign and Financial Reporting Requirements;

134 (iii) printed informational material that is related to the performance of the recipient's  
135 official duties;

136 (iv) a devise or inheritance;

137 (v) any item listed in Subsection (3)(a) if given by a relative;

138 (vi) a modest item of food or refreshment such as a beverage or pastry offered other  
139 than as part of a meal, the value of which does not exceed \$5;

140 (vii) a greeting card or other item of little intrinsic value that is intended solely for  
141 presentation; or

142 (viii) plaques, commendations, or awards [~~;~~ or] presented in public and having a cash  
143 value not exceeding \$50.

144 [~~(ix) reimbursement of reasonable expenses for or providing travel, lodging, or meals~~  
145 ~~to a public official when:~~]

146 [~~(A) those expenses are directly related to the public official's attendance and~~  
147 ~~participation in a regularly scheduled meeting of an organization, association, or group; and]~~

148 [~~(B) that organization, association, or group pays or provides those expenses.~~]

149 (4) (a) "Government officer" means:

150 (i) an individual elected to a position in state or local government, when acting within  
151 his official capacity; or

152 (ii) an individual appointed to or employed in a full-time position by state or local  
153 government, when acting within the scope of his employment.

154 (b) "Government officer" does not mean a member of the legislative branch of state  
155 government.

156 (5) "Immediate family" means:

157 (a) a spouse[;];

158 (b) a child residing in the household[;]; or

159 (c) an individual claimed as a dependent for tax purposes.

160 (6) "Interested person" means an individual defined in Subsections (9)(b)[(ii)](iii) and  
161 (viii).

162 (7) "Legislative action" means:

163 (a) bills, resolutions, amendments, nominations, and other matters pending or proposed  
164 in either house of the Legislature or its committees or requested by a legislator; and

165 (b) the action of the governor in approving or vetoing legislation.

166 (8) "Lobbying" means communicating with a public official for the purpose of  
167 influencing the passage, defeat, amendment, or postponement of legislative or executive action.

168 (9) (a) "Lobbyist" means:

169 (i) an individual who is employed by a principal; or

170 (ii) an individual who contracts for economic consideration, other than reimbursement  
171 for reasonable travel expenses, with a principal to lobby a public official.

172 (b) "Lobbyist" does not include:

173 [~~(i) a public official while acting in his official capacity on matters pertaining to his~~  
174 ~~office or a state employee while acting within the scope of his employment;~~]

175 (i) a government officer ~~H~~→ [~~, unless the government officer is employed or appointed to~~  
176 ~~perform lobbying~~] ←~~H~~ ;

177 (ii) a member or employee of the legislative branch of government;

178 [~~(ii)~~] (iii) any person appearing at, or providing written comments to, a hearing  
179 conducted in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act or  
180 Title 63, Chapter 46b, Administrative Procedures Act;

181 [~~(iii)~~] (iv) any person participating on or appearing before an advisory or study task  
182 force, commission, board, or committee, constituted by the Legislature or any agency or

183 department of state government, except legislative standing, appropriation, or interim  
184 committees;

185 ~~[(iv)]~~ (v) a representative of a political party;

186 ~~[(v)]~~ (vi) an individual representing a bona fide church solely for the purpose of  
187 protecting the right to practice the religious doctrines of the church unless the individual or  
188 church makes an expenditure that confers a benefit on a public official;

189 ~~[(vi)]~~ (vii) a newspaper, television station or network, radio station or network,  
190 periodical of general circulation, or book publisher for the purpose of publishing news items,  
191 editorials, other comments, or paid advertisements that directly or indirectly urge legislative or  
192 executive action; or

193 ~~[(vii) an elected official of a local government while acting within the scope of his  
194 official capacity on matters pertaining to his office or an employee of a local government while  
195 acting within the scope of his employment; or]~~

196 (viii) an individual who appears on his own behalf before a committee of the  
197 Legislature or an executive branch agency solely for the purpose of testifying in support of or  
198 in opposition to legislative or executive action.

199 (10) "Lobbyist group" means two or more lobbyists, principals, government officers,  
200 and any combination of lobbyists, principals, and officers who each contribute a portion of an  
201 expenditure made to benefit a public official or member of the public official's immediate  
202 family.

203 (11) "Multiclient lobbyist" means a single lobbyist, principal, or government officer  
204 who represents two or more clients and divides the aggregate daily expenditure made to benefit  
205 a public official or member of the public official's immediate family between two or more of  
206 those clients.

207 ~~[(10)]~~ (12) "Person" includes individuals, bodies politic and corporate, partnerships,  
208 associations, and companies.

209 ~~[(11)]~~ (13) "Principal" means a person ~~[who]~~ that employs ~~[a lobbyist]~~ an individual to  
210 perform lobbying either as an employee or as an independent contractor.

211 ~~[(12)]~~ (14) "Public official" means:

212 (a) (i) a member of the Legislature;

213 ~~[(b)]~~ (ii) an individual elected to a position in the executive branch; or

214           ~~[(e)]~~ (iii) an individual appointed to or employed in the executive or legislative branch  
215 if that individual:

216           ~~[(i)]~~ (A) occupies a policymaking position or makes purchasing or contracting  
217 decisions;

218           ~~[(ii)]~~ (B) drafts legislation or makes rules;

219           ~~[(iii)]~~ (C) determines rates or fees; or

220           ~~[(iv)]~~ (D) makes adjudicative decisions[-]; or

221           (b) an immediate family member of a person described in Subsection (14)(a).

222           (15) "Public official type" means a notation to identify whether a public official is:

223           (a) (i) a member of the Legislature;

224           (ii) an individual elected to a position in the executive branch;

225           (iii) an individual appointed to or employed in a position in the legislative branch who  
226 meets the definition of public official under Subsection (14)(a)(iii); or

227           (iv) an individual appointed to or employed in a position in the executive branch who  
228 meets the definition of public official under Subsection (14)(a)(iii); or

229           (b) an immediate family member of a person described in Subsection (14)(b).

230           (16) "Quarterly reporting period" means the three-month period covered by each  
231 financial report required under Subsection 36-11-201(2)(a).

232           ~~[(13)]~~ (17) "Related person" means any person, or agent or employee of a person, who  
233 knowingly and intentionally assists a lobbyist, principal, or government officer in lobbying.

234           ~~[(14)]~~ (18) "Relative" means a spouse, child, parent, grandparent, grandchild, brother,  
235 sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, first cousin, or  
236 spouse of any of these individuals.

237           (19) (a) "Tangible personal property" means an item having a description that is  
238 consistent with the meaning of tangible personal property found in the Utah Constitution,  
239 Article XIII.

240           (b) "Tangible personal property" does not include the admission price or cost for  
241 events, meals, recreation, outings, or functions.

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

243           **36-11-201. Lobbyist, principal, and government officer financial reporting**  
244 **requirements -- Prohibition for related person to make expenditures.**



245 ~~[(1) As used in this section, "public official type" means a notation to identify whether~~  
246 ~~the public official is:]~~

247 ~~[(a) a member of the Legislature;]~~

248 ~~[(b) an individual elected to a position in the executive branch;]~~

249 ~~[(c) an individual appointed to or employed in a position in the legislative branch who~~  
250 ~~meets the definition of public official in Section 36-11-102; or]~~

251 ~~[(d) an individual appointed to or employed in a position in the executive branch who~~  
252 ~~meets the definition of public official in Section 36-11-102.]~~

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

257 ~~[(ii) The report shall disclose expenditures made to benefit public officials or members~~  
258 ~~of their immediate families as provided in this section.]~~

259 ~~[(iii) If the lobbyist made no expenditures since the last expenditure reported on the~~  
260 ~~last report filed, the lobbyist shall file a financial report listing the amount of expenditures as~~  
261 ~~"none."]~~

262 ~~[(b) The January 10 report shall contain:]~~

263 ~~[(i) (A) the total amount of expenditures made to benefit public officials during the last~~  
264 ~~calendar year ; and]~~

265 ~~[(B) the total amount of expenditures made to benefit public officials by public official~~  
266 ~~type during the last calendar year ;]~~

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

269 ~~[(B) the total travel expenditures that the lobbyist, principal, or government officer~~  
270 ~~made to benefit public officials and their immediate families by public official type during the~~  
271 ~~last calendar year ; and]~~

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

273 ~~[(f) describes the destination of each trip and its purpose;]~~

274 ~~[(H) identifies the total amount of expenditures made to benefit each public official and~~  
275 ~~members of the public official's immediate family for each trip;]~~

276 ~~[(III) names all individuals that took each trip;]~~  
277 ~~[(IV) identifies the public official type to which each public official belongs;]~~  
278 ~~[(V) provides the name and address of the organization that sponsored each trip; and]~~  
279 ~~[(VI) identifies specific expenditures for food, lodging, gifts, and sidetrips;]~~  
280 ~~[(iii) for aggregate daily expenditures made to benefit public officials or members~~  
281 ~~of their immediate families that are not reportable under Subsection (2)(b):]~~  
282 ~~[(A) when the amount does not exceed \$50 per person:]~~  
283 ~~[(I) the date of the expenditure;]~~  
284 ~~[(H) the purpose of the expenditure;]~~  
285 ~~[(III) the public official type to which each public official belongs; and]~~  
286 ~~[(IV) the total monetary worth of the benefit conferred on the public officials or~~  
287 ~~members of their immediate families;]~~  
288 ~~[(B) when the amount exceeds \$50 per person:]~~  
289 ~~[(I) the date, location, and purpose of the event, activity, or expenditure;]~~  
290 ~~[(H) the name of the public official or member of the public official's immediate family~~  
291 ~~who attended the event or activity or received the benefit of the expenditure;]~~  
292 ~~[(III) the public official type to which each public official belongs; and]~~  
293 ~~[(IV) the total monetary worth of the benefit conferred on the public official or member~~  
294 ~~of the public official's immediate family;]~~  
295 (1) (a) (i) Each lobbyist shall file quarterly financial reports with the lieutenant  
296 governor on or before the due dates under Subsection (2)(a).  
297 (ii) If the lobbyist has not made an expenditure during the quarterly reporting period,  
298 the lobbyist shall file a quarterly financial report listing the amount of expenditures as "none."  
299 (b) Each government officer or principal that makes an expenditure during any of the  
300 quarterly reporting periods under Subsection (2)(a) shall file a quarterly financial report with  
301 the lieutenant governor on or before the date that a report for that quarter is due.  
302 (2) (a) Quarterly expense reports shall be due on the following dates:  
303 (i) April 10, for the period of January 1 through March 31;  
304 (ii) July 10, for the period of April 1 through June 30;  
305 (iii) October 10, for the period of July 1 through September 30; and  
306 (iv) January 10, for the period of October 1 through December 31 of the previous year.

307 (b) If the due date for a financial report falls on a Saturday, Sunday, or legal holiday,  
308 the report shall be considered to be due on the next succeeding business day.

309 (c) A financial report shall be considered timely filed if it is:

310 (i) postmarked on its due date; or

311 (ii) filed electronically on or before the due date.

312 (3) A quarterly financial report shall contain:

313 (a) the total amount of expenditures made to benefit any public official during the  
314 quarterly reporting period;

315 (b) the total amount of expenditures made, by public official type, during the quarterly  
316 reporting period;

317 (c) for the report due on January 10:

318 (i) the total amount of expenditures made to benefit any public official during the last  
319 calendar year; and

320 (ii) the total amount of expenditures made, by public official type, during the last  
321 calendar year;

322 (d) a disclosure of each expenditure made during the quarterly reporting period to  
323 reimburse or pay for the travel or lodging expenses of a public official, including for each trip:

324 (i) the purpose and each destination of the trip;

325 (ii) the name of each public official that participated in the trip;

326 (iii) the public official type of each public official named;

327 (iv) for each public official named, a listing of the amount and purpose of each  
328 expenditure made for travel or lodging that benefitted the public official; and

329 (v) the total amount of expenditures made to benefit each public official named;

330 (e) a disclosure of each expenditure made during the quarterly reporting period that  
331 was not disclosed under Subsection (3)(d), to be provided as follows:

332 (i) using Schedule A under Section 36-11-201.3, a disclosure of each of the following  
333 expenditures:

334 (A) an expenditure made for the cost or value of admission to a professional or  
335 collegiate sporting event;

336 (B) an expenditure made for tangible personal property, if the aggregate daily  
337 expenditures benefitting the public official are greater than \$10;

338 (C) an expenditure made for food or beverage, if the aggregate daily expenditures  
339 benefitting the public official are greater than \$50; and

340 (D) any expenditure not otherwise reported in Subsection (3)(d), or this Subsection  
341 (3)(e)(i), if the aggregate daily expenditures benefitting the public official are greater than \$50;  
342 and

343 (ii) using Schedule B under Section 36-11-201.3, a disclosure of every expenditure not  
344 reported in Subsection (3)(d) or (3)(e)(i);

345 ~~[(iv) a list of]~~ (f) for each public official who was employed by the lobbyist, principal,  
346 or government officer or who performed work as an independent contractor for the lobbyist,  
347 principal, or government officer during the last year ~~[that details], a list that provides:~~

348 (i) the name of the public official; and

349 (ii) the nature of the employment or contract with the public official;

350 ~~[(v)]~~ (g) each bill or resolution, by number and short title, on behalf of which the  
351 lobbyist, principal, or government officer made an expenditure to a public official for which a  
352 report is required by this section, if any;

353 ~~[(vi)]~~ (h) a description of each executive action on behalf of which the lobbyist,  
354 principal, or government officer made an expenditure to a public official for which a report is  
355 required by this section, if any; ~~[and]~~

356 ~~[(vii)]~~ (i) the general purposes, interests, and nature of the organization or  
357 organizations that the lobbyist, principal, or government officer filing the report represents~~[-];~~  
358 and

359 (j) for a lobbyist, a certification that the information provided in the report is true,  
360 accurate, and complete to the lobbyist's best knowledge and belief.

361 ~~[(c)]~~ (4) In reporting expenditures under this section for events to which all legislators  
362 are invited, each lobbyist, principal, and government officer:

363 ~~[(t)]~~ (a) may not divide the cost of the event by the number of legislators who actually  
364 attend the event and report that cost as an expenditure made to those legislators;

365 ~~[(t)]~~ (b) shall divide the total cost by the total number of Utah legislators and others  
366 invited to the event and report that quotient as the amount expended for each legislator who  
367 actually attended the event; and

368 ~~[(t)]~~ (c) may not report any expenditure as made to a legislator who did not attend the

369 event.

370 ~~[(3) (a) As used in this Subsection (3):]~~

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

374 ~~[(ii) "Multiclient lobbyist" means a single lobbyist, principal, or government officer~~  
375 ~~who represents two or more clients and divides the aggregate daily expenditure made to benefit~~  
376 ~~a public official or member of his immediate family between two or more of those clients.]~~

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

381 ~~[(i) the date, location, and purpose of the event, activity, or expenditure;]~~

382 ~~[(ii) the name of the public official or member of the public official's immediate family~~  
383 ~~who attended the event or activity or received the benefit of the expenditure;]~~

384 ~~[(iii) the public official type to which each public official belongs;]~~

385 ~~[(iv) the total monetary worth of the benefit conferred on the public official or member~~  
386 ~~of the public official's immediate family by the lobbyist group and the total monetary worth of~~  
387 ~~the benefit conferred upon the public official or member of the public official's immediate~~  
388 ~~family by the lobbyist, principal, or government officer filing the report;]~~

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

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

395 ~~[(vii) the general purposes, interests, and nature of the organization or organizations~~  
396 ~~that the lobbyist, principal, or government officer filing the report represents.]~~

397 ~~[(c) When a multiclient lobbyist makes aggregate daily expenditures to benefit public~~  
398 ~~officials or members of their immediate families, and the sum of the total aggregate daily~~  
399 ~~expenditure for all of the lobbyist's clients exceeds \$50 for a public official or family member,~~

400 the multicient lobbyist shall, for each client, disclose on the reports required by this section:]

401 [~~(i) the date, location, and purpose of the event, activity, or expenditure;~~]

402 [~~(ii) the name of the public official or member of the public official's immediate family~~  
403 ~~who attended the event or activity or received the benefit of the expenditure;~~]

404 [~~(iii) the public official type to which each public official belongs;~~]

405 [~~(iv) the total monetary worth of the benefit conferred on the public official or member~~  
406 ~~of the public official's immediate family by all clients and the total monetary worth of the~~  
407 ~~benefit conferred on the public official or member of the public official's immediate family by~~  
408 ~~the client upon whose behalf the report is filed;~~]

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

412 [~~(vi) a description of each executive action on behalf of which the lobbyist, principal,~~  
413 ~~or government officer made an expenditure to a public official for which a report is required by~~  
414 ~~this section, if any, and]~~

415 [~~(vii) the general purposes, interests, and nature of the organization or organizations~~  
416 ~~that the lobbyist, principal, or government officer filing the report represents.]~~

417 [~~(4)~~ (5) A related person may not, while assisting a lobbyist, principal, or government  
418 officer in lobbying, make an expenditure that benefits a public official [~~or member of the~~  
419 ~~public official's immediate family]~~ under circumstances which would otherwise fall within the  
420 disclosure requirements of this chapter if the expenditure was made by the lobbyist, principal,  
421 or government officer.

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

426 [~~(i) the date ten days after the last day of each annual general session;~~]

427 [~~(ii) the date seven days before a regular general election; and]~~

428 [~~(iii) the date seven days after the end of a special session or veto override session.]~~

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

431 ~~the due date falls on a Saturday, Sunday, or legal holiday.]~~

432  ~~[(ii) The report shall be considered timely filed if it is postmarked on its due date.]~~

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

436  ~~[(d) In preparing each financial report, all expenditures shall be reported as of five days~~  
437  ~~before the required filing date of the report.]~~

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

441  ~~[(7)] (6) The lieutenant governor shall:~~

442  ~~(a) (i) develop preprinted [suggested] forms for all [statements] financial reports~~  
443  ~~required by this section; and~~

444  ~~[(b)] (ii) make copies of the forms available to each person who requests them[-]; and~~

445  ~~(b) provide a reporting system that allows financial reports to be submitted via the~~  
446  ~~Internet.~~

447  ~~[(8)] (7) (a) Each lobbyist and each principal shall continue to file the quarterly~~  
448  ~~financial reports required by this section [until the lobbyist or principal has filed the report due~~  
449  ~~on the first January 10 that is more than 12 months after the date that the lobbyist surrenders,]~~  
450  ~~until the lobbyist or principal files a statement with the lieutenant governor that:~~

451  ~~(i) states:~~

452  ~~(A) for a lobbyist, that the lobbyist has ceased lobbying activities; or~~

453  ~~(B) for a principal, that the principal no longer employs an individual as a lobbyist;~~

454  ~~(ii) in the case of a lobbyist, states that the lobbyist is surrendering the lobbyist's~~  
455  ~~license;~~

456  ~~(iii) contains a listing, as required by this section, of all previously unreported~~  
457  ~~expenditures that have been made through the date of the statement; and~~

458  ~~(iv) states that the lobbyist or principal will not make any additional expenditure that is~~  
459  ~~not disclosed on the statement unless the lobbyist or principal complies with the disclosure and~~  
460  ~~licensing requirements of this chapter.~~

461  ~~(b) A lobbyist that fails to renew[-] the lobbyist's license or otherwise ceases to be~~

462 licensed[-] shall be required to file quarterly reports until the lobbyist files the statement  
463 required by Subsection (7)(a).

464 Section 4. Section **36-11-201.3** is enacted to read:

465 **36-11-201.3. Expenditure reporting schedule.**

466 The schedules in this section shall be used to report expenditures made to benefit a  
467 public official as required by Section 36-11-201.

468 (1) Schedule A:

469 (a) the date and purpose of the expenditure;

470 (b) the location of the expenditure;

471 (c) the name of the public official benefitted by the expenditure;

472 (d) the public official type of the public official; and

473 (e) the total monetary worth of the benefit that the expenditure conferred on the public  
474 official; and

475 (2) Schedule B:

476 (a) the date and purpose of the expenditure;

477 (b) the public official type of the public official benefitted by the expenditure; and

478 (c) the total monetary worth of the benefit that the expenditure conferred on the public  
479 official.

480 Section 5. Section **36-11-304** is amended to read:

481 **36-11-304. Prohibition on certain gifts of real or tangible personal property.**

482 (1) As used in this section:

483 (a) "Gift" means a transfer of real property or tangible personal property for less than  
484 fair and adequate consideration.

485 (b) "Gift" does not include a plaque, commendation, or award that is presented in  
486 public.

487 ~~[(1) A]~~ (2) Except as provided in Subsection (3), a lobbyist, principal, or government  
488 officer may not offer to or give any public official [or member of his immediate family] any  
489 gift or loan if the public official has been, or is now, or in the near future may be involved in  
490 any governmental action directly affecting the donor or lender.

491 ~~[(2)]~~ (3) Subsection [1)] (2) does not apply to the following:

492 (a) an occasional nonpecuniary gift, having a value of not in excess of \$50 per



493 individual;

494 (b) an award publicly presented in recognition of public services;

495 (c) any bona fide loan made in the ordinary course of business; or

496 (d) gifts to a relative.

497 [~~(3) For the purposes of this section:~~]

498 [~~(a) "Gift" means a transfer of real or tangible personal property for less than fair and~~  
499 ~~adequate consideration. It does not include plaques, commendations, or awards.]~~

500 [~~(b) "Tangible personal property" does not include the admission price for events,~~  
501 ~~meals, recreation, outings, or functions, and is intended to be interpreted consistent with the~~  
502 ~~meaning of tangible personal property found in the Utah Constitution Article XIII.]~~

503 Section 6. Section **36-11-306** is enacted to read:

504 **36-11-306. Conflicts of interest.**

505 (1) As used in this section, "conflict of interest" means a circumstance where:

506 (a) the representation of one principal or client will be directly adverse to another  
507 principal or client; or

508 (b) there is a significant risk that the representation of one or more principals or clients  
509 will be materially limited by the lobbyist's responsibilities to:

510 (i) another principal or client; ~~H→~~ or

511 ~~(ii) a former principal or client;~~

512 ~~(iii) a third person; or~~

513 ~~(iv)] (ii) ←H a personal interest of the lobbyist.~~

514 (2) Except as provided in Subsection (3), a lobbyist may not represent a principal or  
515 client if the representation involves a conflict of interest.

516 (3) Notwithstanding the existence of a conflict of interest, a lobbyist may represent a  
517 principal or client if:

518 (a) the lobbyist reasonably believes that the lobbyist will be able to provide competent  
519 and diligent representation to each principal or client;

520 (b) the representation is not otherwise prohibited by law;

521 (c) the representation does not require the lobbyist to assert a position on behalf of one  
522 principal or client that is opposed to the position of another principal or client represented by  
523 the lobbyist involving the same legislative issue; and

524 (d) each affected principal or client gives informed consent to the conflict of interest in  
525 writing.

526 Section 7. Section **67-16-5** is amended to read:

527 **67-16-5. Accepting gift, compensation, or loan -- When prohibited.**

528 (1) As used in this section, "economic benefit tantamount to a gift" includes:

529 (a) a loan at an interest rate that is substantially lower than the commercial rate then  
530 currently prevalent for similar loans; and

531 (b) compensation received for private services rendered at a rate substantially  
532 exceeding the fair market value of the services.

533 (2) It is an offense for a public officer[;] or public employee, [or legislator,] under  
534 circumstances not amounting to a violation of Section 63-56-1001 or 76-8-105, to knowingly  
535 receive, accept, take, seek, or solicit, directly or indirectly for himself or another a gift of  
536 substantial value or a substantial economic benefit tantamount to a gift:

537 (a) that would tend improperly to influence a reasonable person in the person's position  
538 to depart from the faithful and impartial discharge of the person's public duties;

539 (b) that the person knows or that a reasonable person in that position should know  
540 under the circumstances is primarily for the purpose of rewarding the person for official action  
541 taken; or

542 (c) if he recently has been, is now, or in the near future may be involved in any  
543 governmental action directly affecting the donor or lender, unless a disclosure of the gift,  
544 compensation, or loan and other relevant information has been made in the manner provided in  
545 Section 67-16-6.

546 (3) Subsection (2) does not apply to:

547 (a) an occasional nonpecuniary gift, having a value of not in excess of \$50;

548 (b) an award publicly presented in recognition of public services;

549 (c) any bona fide loan made in the ordinary course of business; or

550 (d) a political campaign contribution.

551 Section 8. **Coordinating S.B. 246 with H.B. 62 -- Superseding amendments.**

552 If this S.B. 246 and H.B. 62, Lobbyist Disclosure Technical Amendments, both pass, it  
553 is the intent of the Legislature that the amendments to Section 36-11-201 in this bill supersede  
554 the amendments to Section 36-11-201 in H.B. 62 when the Office of Legislative Research and

555 General Counsel prepares the Utah Code database for publication.

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**S.B. 246 3rd Sub. (Ivory) - Government Law Changes**

**Fiscal Note**

2007 General Session

State of Utah

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**State Impact**

Enactment of this bill will not require additional appropriations.

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**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.

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