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# HOUSE BILL No. 1350

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 2-2.1-3-2; IC 2-7.

**Synopsis:** Lobbyist activity reports. Requires a lobbyist to file monthly activity reports listing the expenditures and gifts that equal ten dollars or more in one day, or that together total more than \$50 during the calendar year, if the expenditures and gifts are made by the lobbyist or the lobbyist's agent to benefit: (1) a member of the general assembly; (2) an officer of the general assembly; (3) an employee of the general assembly; or (4) a member of the immediate family of any of these persons. Requires the information reported on the monthly activity reports to be compiled and totaled on the semiannual activity reports. Reduces from \$100 to \$10 the minimum reportable amount of a single gift that a legislator or a candidate for the general assembly must report on the statement of economic interests. Reduces from \$250 to \$100 the amount of aggregate annual gifts that a legislator or a candidate for the general assembly must report on the statement of economic interests. Requires the lobby registration commission to impose a penalty of \$50 per day for each day a lobbyist's activity report is late up to a maximum of \$5,000 per report. (Under current law the penalty is \$10 per day up to a maximum of \$100 per report.) Provides that a function to which the entire general assembly is invited must be reported as a lobbying expense. Requires the lobby registration commission to make statements, reports, and other documents filed with the commission available for public inspection in a searchable data base on the commission's website. Provides that a person who knowingly or intentionally makes a false report under the lobbyist registration statute commits a Class D felony.

**Effective:** July 1, 2009.

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January 13, 2009, read first time and referred to Committee on Rules and Legislative Procedures.

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First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

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**HOUSE BILL No. 1350**



A BILL FOR AN ACT to amend the Indiana Code concerning the general assembly and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 2-2.1-3-2 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. (a) Not later than  
 3 seven (7) calendar days following the first session day in January of  
 4 each year every member of the general assembly shall file with the  
 5 principal clerk of the house or secretary of the senate, respectively, a  
 6 written statement of the member's or candidate's economic interests for  
 7 the preceding calendar year listing the following:

8 (1) The name of the member's or candidate's employer and the  
 9 employer of the member's or candidate's spouse and the nature of  
 10 the employer's business. The house of representatives and senate  
 11 need not be listed as an employer.

12 (2) The name of any sole proprietorship owned or professional  
 13 practice operated by the member or candidate or the member's or  
 14 candidate's spouse and the nature of the business.

15 (3) The name of any partnership of which the member or  
 16 candidate or the member's or candidate's spouse is a member and  
 17 the nature of the partnership's business.



- 1 (4) The name of any corporation of which the member or
- 2 candidate or the member's or candidate's spouse is an officer or
- 3 director and the nature of the corporation's business. Churches
- 4 need not be listed.
- 5 (5) The name of any corporation in which the member or
- 6 candidate or the member's or candidate's spouse or
- 7 unemancipated children own stock or stock options having a fair
- 8 market value in excess of ten thousand dollars (\$10,000). No time
- 9 or demand deposit in a financial institution or insurance policy
- 10 need be listed.
- 11 (6) The name of any state agency or the supreme court of Indiana
- 12 which licenses or regulates the following:
- 13 (A) The member's or candidate's or the member's or
- 14 candidate's spouse's profession or occupation.
- 15 (B) Any proprietorship, partnership, corporation, or limited
- 16 liability company listed under subdivision (2), (3), or (4) and
- 17 the nature of the licensure or regulation.
- 18 The requirement to file certain reports with the secretary of state
- 19 or to register with the department of state revenue as a retail
- 20 merchant, manufacturer, or wholesaler shall not be considered as
- 21 licensure or regulation.
- 22 (7) The name of any person whom the member or candidate
- 23 knows to have been a lobbyist in the previous calendar year and
- 24 knows to have purchased any of the following:
- 25 (A) From the member or candidate, the member's or
- 26 candidate's sole proprietorship, or the member's or candidate's
- 27 family business, goods or services for which the lobbyist paid
- 28 in excess of one hundred dollars (\$100).
- 29 (B) From the member's or candidate's partner, goods or
- 30 services for which the lobbyist paid in excess of one thousand
- 31 dollars (\$1,000).
- 32 This subdivision does not apply to purchases made after
- 33 December 31, 1998, by a lobbyist from a legislator's retail
- 34 business made in the ordinary course of business at prices that are
- 35 available to the general public. For purposes of this subdivision,
- 36 a legislator's business is considered a retail business if the
- 37 business is a retail merchant as defined in IC 6-2.5-1-8.
- 38 (8) The name of any person or entity from whom the member or
- 39 candidate received the following:
- 40 (A) Any gift of cash from a lobbyist.
- 41 (B) Any single gift other than cash having a fair market value
- 42 in excess of ~~one hundred ten~~ **ten** dollars ~~(\$100)~~ **(\$10)**.

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1 However, a contribution made by a lobbyist to a charitable  
2 organization (as defined in Section 501(c) of the Internal Revenue  
3 Code) in connection with a social or sports event attended by  
4 legislators need not be listed by a member of the general assembly  
5 unless the contribution is made in the name of the legislator.

6 (C) Any gifts other than cash having a fair market value in the  
7 aggregate in excess of ~~two one hundred fifty~~ dollars (~~\$250~~;  
8 **\$100**). Campaign contributions need not be listed. Gifts from  
9 a spouse or close relative need not be listed unless the donor  
10 has a substantial economic interest in a legislative matter.

11 (9) The name of any lobbyist who is:

12 (A) a member of a partnership or limited liability company;

13 (B) an officer or a director of a corporation; or

14 (C) a manager of a limited liability company;

15 of which the member of or candidate for the general assembly is  
16 a partner, an officer, a director, a member, or an employee, and a  
17 description of the legislative matters which are the object of the  
18 lobbyist's activity.

19 (10) The name of any person or entity on whose behalf the  
20 member or candidate has appeared before, contacted, or  
21 transacted business with any state agency or official thereof, the  
22 name of the state agency, the nature of the appearance, contact, or  
23 transaction, and the cause number, if any. This requirement does  
24 not apply when the services are rendered without compensation.

25 (11) The name of any limited liability company of which the  
26 member of the general assembly, the candidate, or the member's  
27 or candidate's individual spouse has an interest.

28 (b) Before any person who is not a member of the general assembly  
29 files the person's declaration of candidacy, declaration of intent to be  
30 a write-in candidate, or petition of nomination for office or is selected  
31 as a candidate for the office under IC 3-13-1 or IC 3-13-2, the person  
32 shall file with the clerk of the house or secretary of the senate,  
33 respectively, the same written statement of economic interests for the  
34 preceding calendar year that this section requires members of the  
35 general assembly to file.

36 (c) Any member of or candidate for the general assembly may file  
37 an amended statement upon discovery of additional information  
38 required to be reported.

39 SECTION 2. IC 2-7-3-1 IS AMENDED TO READ AS FOLLOWS  
40 [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) Each lobbyist shall file  
41 ~~semiannually~~ with the commission ~~an activity report~~ **the following**  
42 **reports** under oath: ~~He~~

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**(1) The monthly activity reports required by section 2.7 of this chapter.**

**(2) The semiannual activity reports required by section 3 of this chapter.**

**(b) A lobbyist** shall file a separate activity report relating to each person from whom ~~he~~ **the lobbyist** receives payment for lobbying.

SECTION 3. IC 2-7-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2. ~~(a) One (1) activity report shall be filed not later than May 31, covering the period from November 1 of the immediately preceding calendar year through April 30. The other activity report shall be filed not later than November 30, covering the period from May 1 through October 31. The commission shall provide a copy of an activity report to a member of the general assembly at the request of the member.~~

~~(b)~~ **(a)** Subject to subsections **(b) and (c), and (d)**; the commission shall impose a penalty of ~~ten fifty~~ **fifty** dollars ~~(\$10)~~ **(\$50)** per day for each day that the person fails to file any report required by this chapter until the report is filed.

~~(c)~~ **(b)** The penalty shall not exceed ~~one hundred five thousand~~ **five thousand** dollars ~~(\$100)~~ **(\$5,000)** per report.

~~(d)~~ **(c)** The commission may waive the penalty if the commission determines that the circumstances make imposition of the penalty inappropriate.

SECTION 4. IC 2-7-3-2.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 2.7. **(a) Not later than the fifteenth day of each month, a lobbyist shall file a monthly activity report with the commission covering the previous calendar month.**

**(b) The report required by this section must include the following information:**

**(1) A statement of expenditures and gifts that equal ten dollars (\$10) or more in one (1) day, or that together total more than fifty dollars (\$50) during the calendar year, if the expenditures and gifts are made by the lobbyist or the lobbyist's agent to benefit any of the following:**

- (A) A member of the general assembly.**
- (B) An officer of the general assembly.**
- (C) An employee of the general assembly.**
- (D) A member of the immediate family of anyone described in clause (A), (B), or (C).**

**(2) The name of the beneficiary of each expenditure or gift made by the lobbyist or the lobbyist's agent that is required**

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to be reported under subdivision (1).  
(3) A statement of expenditures for a function to which the entire general assembly is invited. Whenever a lobbyist makes an expenditure that is for the benefit of all of the members of the general assembly on a given occasion, the total amount expended shall be reported, but the lobbyist shall not prorate the expenditure among each member of the general assembly.

SECTION 5. IC 2-7-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. (a) The **semiannual** activity reports of each lobbyist shall include the following:

- (1) A complete and current statement of the information required to be supplied under IC 2-7-2-3 and IC 2-7-2-4.
- (2) Total expenditures on lobbying (prorated, if necessary) broken down to include at least the following categories:
  - (A) Compensation to others who perform lobbying services.
  - (B) Reimbursement to others who perform lobbying services.
  - (C) Receptions.
  - (D) Entertainment, including meals. ~~However, a function to which the entire general assembly is invited is not lobbying under this article.~~
  - (E) Gifts made to an employee of the general assembly or a member of the immediate family of an employee of the general assembly.

~~(3) A statement of expenditures and gifts that equal one hundred dollars (\$100) or more in one (1) day; or that together total more than five hundred dollars (\$500) during the calendar year; if the expenditures and gifts are made by the registrant or his agent to benefit:~~

- ~~(A) a member of the general assembly;~~
- ~~(B) an officer of the general assembly;~~
- ~~(C) an employee of the general assembly; or~~
- ~~(D) a member of the immediate family of anyone included in clause (A); (B); or (C).~~

~~(4) Whenever a lobbyist makes an expenditure that is for the benefit of all of the members of the general assembly on a given occasion, the total amount expended shall be reported, but the lobbyist shall not prorate the expenditure among each member of the general assembly.~~

**(3) A compilation and totals of all information required to be reported on the November through the April monthly activity reports under section 2.7 of this chapter.**

~~(5)~~ **(4)** A list of the general subject matter of each bill or

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1 resolution concerning which a lobbying effort was made within  
 2 the registration period.  
 3 ~~(6)~~ (5) The name of the beneficiary of each expenditure or gift  
 4 made by the lobbyist or his agent that is required to be reported  
 5 under subdivision (3).  
 6 ~~(7)~~ (6) The name of each member of the general assembly from  
 7 whom the lobbyist has received an affidavit required under  
 8 IC 2-2.1-3-3.5.

9 **The semiannual report required by this subsection shall be filed**  
 10 **not later than May 31 and must cover the period from November**  
 11 **1 of the immediately preceding calendar year through April 30.**

12 (b) In the second semiannual report, when total amounts are  
 13 required to be reported, totals shall be stated both for the period  
 14 covered by the statement and for the entire reporting year. **The**  
 15 **semiannual report required by this subsection shall be filed not**  
 16 **later than November 30 and must cover the period from May 1**  
 17 **through October 31.**

18 (c) An amount reported under this section is not required to include  
 19 the following:

- 20 (1) Overhead costs.
- 21 (2) Charges for any of the following:
  - 22 (A) Postage.
  - 23 (B) Express mail service.
  - 24 (C) Stationery.
  - 25 (D) Facsimile transmissions.
  - 26 (E) Telephone calls.
- 27 (3) Expenditures for the personal services of clerical and other  
 28 support staff persons who are not lobbyists.
- 29 (4) Expenditures for leasing or renting an office.
- 30 (5) Expenditures for lodging, meals, and other personal expenses  
 31 of the lobbyist.

32 SECTION 6. IC 2-7-3-6 IS AMENDED TO READ AS FOLLOWS  
 33 [EFFECTIVE JULY 1, 2009]: Sec. 6. (a) A lobbyist shall file a written  
 34 report with respect to a member of the general assembly whenever  
 35 either of the following occurs:

- 36 (1) The lobbyist has made a purchase described in  
 37 IC 2-2.1-3-2(a)(7) with respect to that member. This subdivision  
 38 does not apply to purchases made by a lobbyist from a legislator's  
 39 retail business made in the ordinary course of business at prices  
 40 that are available to the general public. For purposes of this  
 41 subdivision, a legislator's business is considered a retail business  
 42 if the business is a retail merchant as defined in IC 6-2.5-1-8.

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1 (2) The lobbyist has made a gift described in IC 2-2.1-3-2(a)(8)  
2 to that member.

3 (b) A report required by subsection (a) must state the following:

4 (1) The name of the lobbyist.

5 (2) Whether the report covers a purchase described in  
6 IC 2-2.1-3-2(a)(7) or a gift described in IC 2-2.1-3-2(a)(8).

7 (c) A lobbyist shall file a copy of a report required by this section  
8 with all the following:

9 (1) The commission.

10 (2) The member of the general assembly with respect to whom the  
11 report is made.

12 (3) The principal clerk of the house of representatives, if the  
13 legislator is a member of the Indiana house of representatives.

14 (4) The secretary of the senate, if the legislator is a member of the  
15 Indiana senate.

16 (d) A lobbyist shall file a report required by subsection (a) not later  
17 than seven (7) days after making the purchase or giving the gift.

18 (e) Not later than January 7, the commission shall provide to each  
19 member of the general assembly a written compilation of all reports  
20 filed under subsection (c) relating to that member. The compilation  
21 must satisfy the following:

22 (1) For each member the compilation must list the following for  
23 the immediately preceding calendar year:

24 (A) Each purchase described in IC 2-2.1-3-2(a)(7).

25 (B) Each gift described in IC 2-2.1-3-2(a)(8) itemized as  
26 follows:

27 (i) Any gift of cash from the lobbyist.

28 (ii) Any single gift from the lobbyist other than cash having  
29 a fair market value that exceeds ~~one hundred ten~~ dollars  
30 ~~(\$100)~~: **(\$10)**.

31 (iii) Any gifts from the lobbyist other than cash having a fair  
32 market value in the aggregate that exceeds ~~two one hundred~~  
33 ~~fifty~~ dollars ~~(\$250)~~: **(\$100)**.

34 (2) For each purchase or gift, the compilation must identify the  
35 name of the lobbyist making the purchase or giving the gift.

36 SECTION 7. IC 2-7-3-7 IS ADDED TO THE INDIANA CODE AS  
37 A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
38 2009]: **Sec. 7. The commission shall provide a copy of an activity**  
39 **report to a member of the general assembly at the request of the**  
40 **member.**

41 SECTION 8. IC 2-7-4-3 IS AMENDED TO READ AS FOLLOWS  
42 [EFFECTIVE JULY 1, 2009]: Sec. 3. **(a)** The commission shall make

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1 statements, reports, and other documents filed with the commission  
2 under this article available for public inspection and copying during  
3 regular office hours and make copying facilities available to the public  
4 at a charge not to exceed actual cost.

5 **(b) The commission shall make statements, reports, and other**  
6 **documents filed with the commission under this article available**  
7 **for public inspection in a searchable data base on the commission's**  
8 **website.**

9 SECTION 9. IC 2-7-6-3 IS AMENDED TO READ AS FOLLOWS  
10 [EFFECTIVE JULY 1, 2009]: Sec. 3. Whoever knowingly or  
11 intentionally makes a false report under this chapter that overstates or  
12 understates the amount of any or all expenditures or gifts article  
13 commits a Class D felony.

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