

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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SENATE DRS35409-ST-26 (05/18)

Short Title: Reform Lobbying Laws.

(Public)

Sponsors: Senator Kinnaird.

Referred to:

A BILL TO BE ENTITLED

1 AN ACT TO REVISE THE LOBBYING LAWS TO BAN CERTAIN GIFTS;
2 ESTABLISH QUARTERLY REPORTING WITH ADDITIONAL INTERIM
3 REPORTING; EXPAND THE COVERAGE OF LOBBYING LAWS TO
4 INCLUDE EXECUTIVE BRANCH LOBBYING; LIMITING CAMPAIGN
5 CONTRIBUTIONS BY REGISTERED LOBBYISTS, AND MAKE OTHER
6 CONFORMING CHANGES.
7

8 The General Assembly of North Carolina enacts:

9 **SECTION 1.** Article 9A of Chapter 120 of the General Statutes is amended
10 by adding a new section to read:

11 "**§ 120-47.7C. Prohibitions.**

12 (a) No member or former member of the General Assembly may be employed as
13 a legislative lobbyist by a lobbyist's principal to lobby as defined in this Article within
14 one year after the end of that member's service in the General Assembly.

15 (b) No person serving, or formerly having served, as Governor, a member of the
16 Council of State, or a head of a principal State department listed in G.S. 143B-6 may be
17 employed as a legislative lobbyist by a lobbyist's principal to lobby as defined in this
18 Article within one year after separation from employment or leaving office.

19 (c) No individual registered as a legislative lobbyist shall serve as a campaign
20 treasurer under Chapter 163 of the General Statutes as defined in G.S. 163-278.6(19) for
21 a campaign for election as a member of the General Assembly, Governor, or Council of
22 State.

23 (d) A legislative lobbyist shall not be eligible for appointment by a State official
24 to any body created under the laws of this State that has regulatory authority over the
25 activities of a person that the legislative lobbyist currently represents or has represented
26 within 60 days after the expiration of the legislative lobbyist's registration representing

1 that person. Nothing herein shall be construed to prohibit appointment by any unit of
2 local government.

3 (e) No legislative lobbyist or another acting on the legislative lobbyist's behalf
4 shall permit a covered person, legislative employee, or that person's immediate family
5 member to use the cash or credit of the lobbyist for the purpose of lobbying unless the
6 lobbyist is in attendance at the time of the expenditure."

7 **SECTION 2.** Article 9A of Chapter 120 of the General Statutes is amended
8 by adding a new section to read:

9 **"§ 120-47.7B. Powers and duties of the Secretary of State.**

10 (a) The Secretary of State shall perform systematic reviews of reports required to
11 be filed under G.S. 120-47.6 and G.S. 120-47.7 on a regular basis to assure complete
12 and timely disclosure of expenditures.

13 (b) The Secretary of State may petition the Superior Court of Wake County for
14 the approval to issue subpoenas and subpoenas duces tecum as necessary to conduct
15 investigations of violations of this Article. The court shall authorize subpoenas under
16 this subsection when the court determines they are necessary for the enforcement of this
17 Article. Subpoenas issued pursuant to this subsection shall be enforceable by the court
18 through contempt powers. Venue shall be with the Superior Court of Wake County for
19 any nonresident person, or that person's agent, who makes a reportable expenditure
20 under this Article, and personal jurisdiction may be asserted under G.S. 1-75.4.

21 (c) Complaints of violations of this Article and all other records accumulated in
22 conjunction with the investigation of these complaints shall be considered records of
23 criminal investigations under G.S. 132-1.4."

24 **SECTION 3.** Article 9A of Chapter 120 of the General Statutes reads as
25 rewritten:

26 "Article 9A.

27 "~~Legislative Branch~~ Lobbying.

28 **"§ 120-47.1. Definitions.**

29 ~~The following definitions shall apply in this Article:~~ As used in this Article, the
30 following terms mean:

31 (1) ~~The term "covered person" means a legislator, the Governor, or the~~
32 ~~Lieutenant Governor.~~ Covered person. – A legislator, legislative
33 employee, or executive branch officer.

34 (1a) Advocacy day. – A day that any lobbyist's principal collectively
35 assembles its membership or employees and advocates for legislative
36 or executive action.

37 (1b) Constitutional officers of the State. – Officers whose offices are
38 established in Article III of the Constitution.

39 (1c) Executive action. – Any decision, including administration, approval,
40 disapproval, preparation, recommendation, the rendering of advice,
41 and investigation, made or contemplated in any proceeding,
42 application, submission, request for a ruling or other determination,
43 contract, claim, controversy, investigation, charge, or rule making.

44 (1d) Executive branch officer. – All of the following:

- 1 a. Constitutional officers of the State, persons elected or appointed
2 as a Constitutional officer of the State prior to taking office, or a
3 person having filed a notice of candidacy for such office under
4 G.S. 163-106 or Article 11 of Chapter 163 of the General
5 Statutes.
- 6 b. Employees of the Office of the Governor.
- 7 c. Heads of all principal State departments, as set forth in
8 G.S. 143B-6, who are appointed by the Governor.
- 9 d. The chief deputy or chief administrative assistant of each
10 person designated under sub-subdivisions a. and c. of this
11 subdivision.
- 12 e. Confidential assistants and secretaries as defined in
13 G.S. 126-5(c)(2), to persons designated under sub-subdivisions
14 a., c., and d. of this subdivision.
- 15 f. Employees in exempt positions as defined in G.S. 126-5(b) and
16 employees in exempt positions designated in accordance with
17 G.S. 126-5(d)(1), (2), or (2a), and confidential secretaries to
18 these individuals.
- 19 g. Any other employees or appointees in the principal State
20 departments as may be designated by the Governor to the extent
21 that the designation does not conflict with the State Personnel
22 Act.
- 23 h. All voting members of boards, including ex officio members
24 and members serving by executive, legislative, or judicial
25 branch appointment.
- 26 i. For The University of North Carolina, the voting members of
27 the Board of Governors of The University of North Carolina,
28 the president, the vice presidents, and the chancellors, the
29 vice-chancellors, and voting members of the boards of trustees
30 of the constituent institutions.
- 31 j. For the Community Colleges System, the voting members of
32 the State Board of Community Colleges, the president and chief
33 financial officer of the Community Colleges System, the
34 president, chief financial officer, and chief administrative
35 officer of each community college, and voting members of the
36 boards of trustees of each community college.
- 37 (1a)(1e) ~~The term "expenditure" means any Expenditure. – Any advance,~~
38 contribution, conveyance, deposit, distribution, payment, gift, retainer,
39 fee, salary, honorarium, reimbursement, loan, pledge or thing of value
40 greater than ten dollars (\$10.00),(\$10.00) per single calendar day or a
41 contract, agreement, promise or other obligation whether or not legally
42 enforceable, that directly or indirectly is made to, at the request of, for
43 the benefit of, or on the behalf of a covered person, legislative
44 employee, person or that person's immediate family member.

- 1 (1f) Extended family. – Spouse, descendant, ascendant, or sibling of the
2 covered person or descendant, ascendant, or sibling of the spouse of
3 the covered person.
- 4 (1b) ~~The term "executive lobbyist" means a lobbyist registered pursuant to~~
5 ~~Article 4C of Chapter 147 of the General Statutes.~~
- 6 (2), (3) Repealed by Session Laws 1991, c. 740, s. 1.1.
- 7 (2a) Gift. – Anything of value without valuable consideration.
- 8 (3a) ~~The term "immediate family member" means spouse, descendant, or~~
9 ~~ascendant.~~Immediate family member. – An unemancipated child of the
10 covered person residing in the household and the covered person's
11 spouse, if not legally separated.
- 12 (4) ~~The term "legislative action" means the~~Legislative action. – The
13 preparation, research, drafting, introduction, consideration,
14 modification, amendment, approval, passage, enactment, tabling,
15 postponement, defeat, or rejection of a bill, resolution, amendment,
16 motion, report, nomination, appointment, or other matter, whether or
17 not the matter is identified by an official title, general title, or other
18 specific reference, by the legislature or by a member or employee of
19 the legislature acting or purporting to act in an official capacity. It also
20 includes the consideration of any bill by the Governor for the
21 Governor's approval or veto under Article II, Section 22(1) of the
22 Constitution or for the Governor to allow the bill to become law under
23 Article II, Section 22(7) of the Constitution.
- 24 (4a) ~~The term "legislative employee" means employees~~Legislative
25 employee. – Employees and officers of the General Assembly.
- 26 (4b) ~~The term "legislative liaison personnel" means any~~Liaison personnel. –
27 Any State employee or officer whose principal duties, in practice or as
28 set forth in that person's job description, include lobbying the General
29 Assembly.~~Assembly or executive branch officers.~~
- 30 (4c) ~~The term "legislative lobbyist" means any lobbyist for or against~~
31 ~~legislative action.~~
- 32 (4d) ~~The term "legislator" means a~~Legislator. – A member or presiding
33 officer of the General Assembly or Assembly, a person elected or
34 appointed a member or presiding officer of the General Assembly
35 prior to taking office, or a person having filed a notice of
36 candidacy for such office under G.S. 163-106 or Article 11 of Chapter
37 163 of the General Statutes.
- 38 (5) ~~The term "lobbying" means any~~Lobbying. – Any of the following:
39 a. Influencing or attempting to influence legislative or executive
40 action, or both, through direct communication or activities with
41 a covered person, legislative employee, person or that person's
42 immediate family member.

- 1 b. Solicitation of others by ~~legislative~~ lobbyists or lobbyists'
 2 principals to influence legislative or executive action, ~~action~~, or
 3 both.
 4 c. Developing goodwill through communications or activities,
 5 including the building of relationships, with a covered ~~person~~,
 6 ~~legislative employee~~, person or that person's immediate family
 7 member with the intention of influencing current or future
 8 legislative action, but does not include communications or
 9 activities with a covered ~~person~~, ~~legislative employee~~, person or
 10 that person's immediate family member in a business, civic,
 11 religious, fraternal, or commercial relationship which is not
 12 connected to legislative or executive action, ~~action~~, or both.

- 13 (6) ~~The term "lobbyist" means an~~ Lobbyist. – An individual who meets any
 14 of the following criteria:
 15 a. Is employed and receives compensation, or who contracts for
 16 economic consideration, for the purpose of lobbying.
 17 b. Represents another person and receives compensation for the
 18 purpose of lobbying.
 19 ~~e. Is legislative liaison personnel.~~

20 The term "lobbyist" shall not include those individuals who are
 21 specifically exempted from this Article by G.S. 120-47.8. For the
 22 purpose of determining whether an individual is a lobbyist under this
 23 subdivision, reimbursement of actual travel and subsistence expenses
 24 shall not be considered compensation; provided, however, that
 25 reimbursement in the ordinary course of business of these expenses
 26 shall be considered compensation if a significant part of the
 27 individual's duties involve lobbying before the General
 28 Assembly or executive branch officers.

- 29 (7) ~~The terms "lobbyist's principal" and "principal" mean the~~ Lobbyist
 30 principal and principal. – The person on whose behalf the ~~legislative~~
 31 lobbyist lobbies. In the case where a lobbyist is compensated by a law
 32 firm, consulting firm, or other entity retained by a person for
 33 ~~legislative~~ lobbying, the principal is the person whose interests the
 34 lobbyist represents in lobbying. In the case of a lobbyist employed or
 35 retained by an association or other organization, the lobbyist's
 36 principal is the association or other organization, not the members of
 37 the association or other organization.

- 38 (7a) ~~The term "news medium" means mainstream~~ News medium. –
 39 Mainstream media providers whose sole purpose is to report events
 40 and that does not involve research or advocacy.

- 41 (8) ~~The term "person" means any~~ Person. – Any individual, firm,
 42 partnership, committee, association, corporation, business entity, or
 43 any other organization or group of persons which has an independent
 44 legal existence.

1 (8a) Public event. – Either of the following:

2 a. One organized gathering per calendar year per lobbyist's
3 principal open to the general public or to which a legislator or
4 legislative employee is invited along with the entire
5 membership of the General Assembly and lasts no longer than
6 three consecutive hours.

7 b. An organized gathering of individuals open to the general
8 public or to which at least ten executive branch officers are
9 invited to attend and at least 10 employees or members of the
10 principal actually attend.

11 (9) ~~The General Assembly is in "regular session" from the~~ In regular
12 session. – The date set by law or resolution that the General Assembly
13 convenes until the General Assembly either:

14 a. Adjourns sine die; or

15 b. Recesses or adjourns for more than 10 days.

16 **"§ 120-47.2. Registration procedure.**

17 (a) ~~A legislative~~ lobbyist shall file a registration statement with the Secretary of
18 State in a manner prescribed by the Secretary before engaging in any lobbying. It shall
19 be unlawful for a person to lobby without registering unless exempted by this Article. A
20 lobbyist shall file a separate registration statement for each principal the lobbyist
21 represents. ~~The registration shall indicate whether it is registration as a legislative~~
22 ~~lobbyist, executive lobbyist, or both, and a separate registration fee shall be paid for~~
23 ~~each separate type of registration.~~

24 (b) The form of the registration shall be prescribed by the Secretary of State and
25 shall include the registrant's full name, firm, complete address and telephone number;
26 the registrant's place of business; the full name, complete address and telephone number
27 of each person by whom the registrant is employed or retained; and a general
28 description of the matters on which the registrant expects to act as a ~~legislative~~ lobbyist.
29 The Secretary of State shall make available as soon as practicable the registrations of
30 the lobbyists and lobbyists' principals in an electronic, searchable format.

31 (c) Each ~~legislative~~ lobbyist shall file an amended registration form with the
32 Secretary of State no later than 10 business days after any change in the information
33 supplied in the ~~legislative~~ lobbyist's last registration under subsection (b). Each
34 supplementary registration shall include a complete statement of the information that
35 has changed.

36 (d) Within 20 days after the convening of each session of the General Assembly,
37 the Secretary of State shall furnish each member of the ~~General Assembly~~ Assembly,
38 Constitutional officers of the State, the head of each principal department of the
39 Executive Branch, and the State Legislative Library a list of all persons who have
40 registered as ~~executive or legislative~~ lobbyists and whom they represent. ~~Within 20 days~~
41 ~~after the beginning of the term of a Governor, the Secretary of State shall furnish the~~
42 ~~Governor, each other member of the Council of State, the head of each principal~~
43 ~~department of the Executive Branch, and the State Legislative Library a list of all~~
44 ~~persons who have registered as executive or legislative lobbyists and whom they~~

1 ~~represent.~~ A supplemental list of ~~legislative~~ lobbyists shall be furnished periodically
2 each 20 days ~~thereafter as the session progresses.~~ while the General Assembly is in
3 session, and every 60 days thereafter. ~~A supplemental list of executive lobbyists shall be~~
4 ~~furnished periodically each 60 days thereafter.~~ For each special session of the General
5 Assembly, a supplemental list of ~~legislative~~ lobbyists shall be furnished to the State
6 Legislative Library. All lists required by this section may be furnished electronically.

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

11 **"§ 120-47.3. Registration fee.**

12 A fee of one hundred dollars (\$100.00) is due and payable to the Secretary of State
13 by either the lobbyist or the lobbyist's principal at the time of each lobbyist registration.
14 Fees so collected shall be deposited in the General Fund of the State. The Secretary of
15 State shall allow fees required under this section to be paid electronically but may not
16 require the fees to be paid electronically. The Secretary of State shall adopt rules
17 providing for the waiver or reduction of the fees required by this section in cases of
18 hardship.

19 **"§ 120-47.4. Authorization from lobbyist's principal; fee from principal.**

20 (a) Each ~~legislative~~ lobbyist or lobbyist's principal shall file with the Secretary of
21 State within 10 business days after the ~~legislative~~ lobbyist's registration a written
22 authorization signed by the lobbyist's principal authorizing the lobbyist to represent the
23 principal.

24 (b) The form of the authorization shall be prescribed by the Secretary of State
25 and shall include the lobbyist's principal's full name, complete address and telephone
26 number, name and title of the official signing for the lobbyist's principal, and the name
27 of each lobbyist registered to represent the lobbyist's principal. The Secretary of State
28 shall make available as soon as practicable the authorization of the lobbyists' principals
29 in an electronic, searchable format.

30 (c) An amended authorization shall be filed with the Secretary of State no later
31 than 10 days after any change in the information supplied for the lobbyist's principal on
32 the previous authorization. Each supplementary authorization shall include a complete
33 statement of the information that has changed.

34 (d) Except as provided for in subsection (e) of this section, a fee of one hundred
35 dollars (\$100.00) is due and payable to the Secretary of State at the time the lobbyist's
36 principal's first authorization statement is filed each calendar year for a ~~legislative~~
37 lobbyist. ~~The fee for the legislative lobbyist's authorization shall be seventy five dollars~~
38 ~~(\$75.00) if an authorization for the principal to be represented by an executive lobbyist~~
39 ~~is filed at the same time. No additional fee is due for additional authorizations filed for~~
40 ~~legislative lobbyists.~~

41 (e) The Secretary of State shall adopt rules providing for the waiver or reduction
42 of the fees required by fee in subsection (d) of this section. The rules shall provide that
43 the fees be reduced to a total of twenty-five dollars (\$25.00) if the lobbyist's principal
44 had annual revenues in its most recent fiscal year of three hundred thousand dollars

1 (\$300,000) or less and is represented by no more than two different lobbyists. This
2 ~~reduced fee covers authorizations filed for the principal's legislative and executive~~
3 ~~lobbyists.~~

4 **"§ 120-47.5. Contingency lobbying fees and election influence prohibited.**

5 (a) No person shall act as a ~~legislative~~ lobbyist for compensation that is
6 dependent upon the result or outcome of any legislative action.

7 (b) No ~~legislative lobbyist or legislative lobbyist's principal person~~ shall attempt
8 to influence the action of any covered person by the promise of financial support of the
9 covered person's candidacy, or by threat of financial support in opposition to the
10 covered person's candidacy in any future election.

11 **"§ 120-47.5A. Certain gifts by lobbyist and lobbyist's principals prohibited;**
12 **Exemptions and inclusions for reporting purposes.exemptions.**

13 (a) No lobbyist or lobbyist's principal may give a gift to a covered person.

14 (a)(a1) For purposes of G.S. 120-47.6 and G.S. 120-47.7, the following expenditures
15 need not be reported: Subsection (a) of this section shall not apply to:

16 (1) ~~Gifts between an immediate family member or person who is the~~
17 ~~stepchild, — sibling, — mother in law, — father in law, — son in law,~~
18 ~~daughter in law, or members of the household of the covered person or~~
19 ~~legislative employee~~

20 (2) Lawful campaign contributions.

21 (3) ~~Commercially available loans made on terms not more favorable than~~
22 ~~generally available to the public in the normal course of business if not~~
23 ~~made for the purpose of lobbying.~~

24 (4) ~~Contractual arrangements or business relationships or arrangements~~
25 ~~made in the normal course of business if not made for the purpose of~~
26 ~~lobbying.~~

27 (5) ~~The cost of attendance or participation provided by the sponsoring~~
28 ~~entity of lodging, and of food and beverages consumed, at events~~
29 ~~sponsored by or in conjunction with a civic, charitable, community, or~~
30 ~~diplomatic event if the activity or event does not last longer than three~~
31 ~~hours.~~

32 (6) ~~Academic scholarships made on terms not more favorable than~~
33 ~~scholarships generally available to the public.~~

34 (1) Meals and beverages for immediate consumption in connection with
35 public events.

36 (2) Nonmonetary items, other than food or beverages, with a value not to
37 exceed twenty-five dollars (\$25.00) provided by a lobbyist's principal
38 one time in a calendar year, as long as a similar item of the same cost
39 is provided to all legislators.

40 (3) Informational materials relevant to the duties of the covered person,
41 not to exceed twenty-five dollars (\$25.00) per item.

42 (4) Reasonable actual expenses for food, registration, travel, and lodging,
43 excluding recreational activities, of the covered person for a meeting
44 with the State related to the legislator's duties and when expenditures

1 are incurred on the actual day of participation in the engagement or
2 incurred within a 24-hour time period before or after the engagement.
3 Each lobbyist's principal is limited to an aggregate expenditure per
4 legislator of seventy-five dollars (\$75.00) per calendar year.

5 (5) Gifts accepted on behalf of the State.

6 (6) Anything generally available or distributed to the general public or all
7 other State employees.

8 (7) Anything for which fair market value is paid.

9 (8) Political contributions properly received and reported as required
10 under Article 22A of Chapter 163 of the General Statutes.

11 (9) Gifts from the covered person's extended family, or a member of the
12 same household of the covered person, or gifts received in conjunction
13 with a marriage, birth, adoption, or death.

14 (b) For purposes of G.S. 120-47.6 and G.S. 120-47.7, all expenditures made for
15 the purpose of lobbying shall be reported, including the following:

16 (1) Expenditures benefiting or made on behalf of a covered person, a
17 ~~legislative employee~~, or those persons' immediate family members, in
18 the regular course of that person's ~~nonlegislative~~ employment.

19 (2) Contractual arrangements or direct business relationships between a
20 ~~legislative~~ lobbyist or ~~legislative~~ lobbyist's principal and a covered
21 person, ~~legislative employee~~, or that person's immediate family
22 member, in effect during the reporting period or the previous 12
23 months.

24 (3) Expenditures reimbursed to a ~~legislative~~ lobbyist in the ordinary
25 course of business by the lobbyist's principal or other employer.
26 Expenditures reimbursed by the lobbyist's principal or other employer
27 are reported only by the lobbyist.

28 (4) Expenditures for items exempted by subsection (a1) of this section.

29 ~~(e) For reporting purposes of G.S. 120-47.6 and G.S. 120-47.7, legislative~~
30 ~~lobbying with respect to only the legislative actions of the Governor and Lieutenant~~
31 ~~Governor shall be reported.~~

32 (d) The offering or giving of a gift in compliance with this Article without
33 corrupt intent shall not constitute a violation of G.S. 14-217 or G.S. 14-218.

34 "**§ 120-47.6. Statements of legislative lobbyist's lobbying expenditures required.**

35 (a) Each ~~legislative~~ lobbyist shall file ~~monthly~~ quarterly expenditure reports
36 under oath with the Secretary of State, in a manner prescribed by the Secretary of State,
37 which may include electronic reports, with respect to each lobbyist's ~~principal, while the~~
38 ~~General Assembly is in regular session, and quarterly thereafter.~~ principal. The
39 expenditure report shall include all expenditures during the reporting period and shall be
40 due 10 business days after the end of the reporting period. The ~~legislative~~ lobbyist shall
41 file ~~expense~~ expenditure reports whether or not expenditures are made.

42 (a1) In addition to the reports required by subsection (a) of this section, each
43 lobbyist incurring expenditures with respect to lobbying legislators and legislative
44 employees shall file a monthly expenditure report while the General Assembly is in

1 regular session. The monthly expenditure report shall contain information required by
2 this section with respect to all lobbying of legislators and legislative employees and is
3 due within 10 business days of the end of the month. The information on the monthly
4 expenditure report shall also be included in each quarterly report required by subsection
5 (a) of this section.

6 (b) Each expenditure report shall set forth the fair market ~~value,~~ value or face
7 value if shown, date, a description of the expenditure, name and address of the payee, or
8 beneficiary, and name of any covered person, ~~legislative employee,~~ or that person's
9 immediate family member benefiting from the expenditure. Such expenditures shall be
10 reported using the following categories:

- 11 (1) Transportation and lodging.
- 12 (2) Entertainment, food, and beverages.
- 13 (3) Meetings and events.
- 14 (4) Gifts.
- 15 (5) Other expenditures.
- 16 (6) Solicitation of others to lobby, including if such expenditures are
17 incurred in connection or in concert with other reportable
18 expenditures.

19 ~~In addition, expenses for the solicitation of others to lobby, whether or not a covered~~
20 ~~person, legislative employee, or family member is affected, shall be reportable if such~~
21 ~~expenses are incurred in connection, or in concert, with other expenditures reportable~~
22 ~~under this subsection.~~

23 (c) All reports shall be in the form prescribed by the Secretary of State and shall
24 be open to public inspection upon filing. When more than 15 covered persons benefit
25 from an expenditure, no names of individuals need be reported provided that the report
26 identifies the approximate number of covered persons benefiting and, with particularity,
27 the basis for their selection, including the name of the legislative body, committee,
28 caucus, or other group whose membership list is a matter of public record in accordance
29 with G.S. 132-1 or including a description of the group that clearly distinguishes its
30 purpose or composition from the general membership of the General Assembly. The
31 approximate number of ~~legislative employees and~~ immediate family members of
32 covered persons ~~and legislative employees~~ who benefited from the expenditure shall be
33 listed separately.

34 (d) When a ~~legislative~~ lobbyist fails to file an expenditure report as required in
35 this section, the Secretary of State shall send a certified or registered letter advising the
36 ~~legislative~~ lobbyist of the delinquency and the penalties provided by law. Within 20
37 days of the receipt of the letter, the ~~legislative~~ lobbyist shall deliver or post by United
38 States mail to the Secretary of State the required report and an additional late filing fee
39 in an amount equal to the late filing fee under G.S. 163-278.34(a)(2).

40 (e) Filing of the required report and payment of the additional fee within the time
41 extended shall constitute compliance with this section. Failure to file an expenditure
42 report in one of the manners prescribed in this section shall result in revocation of any
43 and all registrations of a legislative lobbyist under this Article. No ~~legislative~~ lobbyist

1 may register or reregister under this Article until the ~~legislative~~-lobbyist has fully
2 complied with this section.

3 (f) Appeal of a decision by the Secretary of State under this section shall be in
4 accordance with Article 3 of Chapter 150B of the General Statutes.

5 (g) The Secretary of State may adopt rules to facilitate complete and timely
6 disclosure of expenditures, including the format of reports and additional categories of
7 information, and to protect the addresses of payees under protective order issued
8 pursuant to Chapter 50B of the General Statutes or participating in the Address
9 Confidentiality Program pursuant to Chapter 15C of the General Statutes. The Secretary
10 of State shall not impose any penalties or late filing fees upon a ~~legislative~~-lobbyist for
11 subsequent failures to comply with the requirements of this section if the Secretary of
12 State failed to provide ~~to~~ the lobbyist with required notifications of the initial violation.
13 This provision shall not apply to a failure by the lobbyist to file an expenditure report in
14 a timely manner.

15 **"§ 120-47.7. Statements of ~~legislative~~-lobbyist's principal lobbying expenditures**
16 **required.**

17 (a) Each ~~legislative~~-lobbyist's principal shall file ~~monthly~~-quarterly expenditure
18 reports under oath with the Secretary of State, in a manner prescribed by the Secretary
19 of State, which may include electronic ~~reports, while the General Assembly is in regular~~
20 ~~session, and quarterly thereafter reports.~~ The expenditure report shall include all
21 expenditures during the reporting period and shall be due 10 business days after the end
22 of the reporting period. The lobbyist's principal shall file the expenditure reports
23 whether or not expenditures are made during a reporting period.

24 (a1) In addition to the reports required by subsection (a) of this section, each
25 lobbyist's principal incurring expenditures with respect to lobbying legislators and
26 legislative employees shall file a monthly expenditure report while the General
27 Assembly is in regular session. The monthly expenditure report shall contain
28 information required by this section with respect to all lobbying of legislators and
29 legislative employees and is due within 10 business days of the end of the month. The
30 information on the monthly expenditure report shall also be included in each quarterly
31 report required by subsection (a) of this section.

32 (b) Each expenditure report shall set forth the fair market ~~value,~~value or face
33 value if shown, date, a description of the expenditure, name and address of the payee, or
34 beneficiary, and name of any covered person, ~~legislative employee,~~ or that person's
35 immediate family member affected by the expenditure. Such expenditures shall be
36 reported using the following categories:

- 37 (1) Transportation and lodging.
- 38 (2) Entertainment, food, and beverages.
- 39 (3) Meetings and events.
- 40 (4) Gifts.
- 41 (5) Other expenditures.
- 42 (6) Solicitation of others to lobby, including if such expenditures are
43 incurred in connection or in concert with other expenditures reportable
44 under this Article.

1 (7) Compensation paid to all lobbyists during the reporting period. If a
2 legislative lobbyist is a full-time employee of the lobbyist's principal
3 or is compensated by means of an annual fee or retainer, the lobbyist's
4 principal shall estimate and report the portion of the salary, fee, or
5 retainer that compensates for lobbying.

6 (8) Expenditures reimbursed or paid to lobbyists for lobbying that are not
7 reported on the lobbyist's report with an itemized description of those
8 expenditures.

9 ~~In addition, expenses for the solicitation of others to lobby, whether or not a covered~~
10 ~~person, legislative employee, or family member is affected, shall be reportable if such~~
11 ~~expenses are incurred in connection, or in concert, with other expenditures reportable~~
12 ~~under this subsection.~~

13 ~~In addition, the compensation paid or agreed to be paid to all legislative lobbyists~~
14 ~~shall be reported, whether or not a covered person, legislative employee, or family~~
15 ~~member is affected. If a legislative lobbyist is a full time employee of the lobbyist's~~
16 ~~principal, or is compensated by means of an annual fee or retainer, the lobbyist's~~
17 ~~principal shall estimate and report the portion of the salary, fee, or retainer that~~
18 ~~compensates for lobbying. The lobbyist's principal's expenditure report shall include an~~
19 ~~itemized description of all expenditures reimbursed or paid to legislative lobbyists for~~
20 ~~lobbying that are not reported on the legislative lobbyists' reports.~~

21 (c) All reports shall be in the form prescribed by the Secretary of State and open
22 to public inspection upon filing. When more than 15 covered persons benefit from an
23 expenditure, no names of individuals need be reported provided that the report identifies
24 the approximate number of covered persons benefiting and, with particularity, the basis
25 for their selection, including the name of the legislative body, committee, caucus, or
26 other group whose membership list is a matter of public record in accordance with
27 G.S. 132-1 or including a description of the group that clearly distinguishes its purpose
28 or composition from the general membership of the General Assembly. The
29 approximate number of ~~legislative employees and immediate family members of~~
30 ~~covered persons and legislative employees who benefited from the expenditure shall be~~
31 ~~listed separately.~~

32 (d) When a lobbyist's principal fails to file an expenditure report as required in
33 this section, the Secretary of State shall send a certified or registered letter advising the
34 lobbyist's principal of the delinquency and the penalties provided by law. Within 20
35 days of the receipt of the letter, the lobbyist's principal shall deliver or post by United
36 States mail to the Secretary of State the required report and a late filing fee in an amount
37 equal to the late filing fee under G.S. 163-278.34(a)(2).

38 (e) Filing of the required report and payment of the late fee within the time
39 extended shall constitute compliance with this section. Failure to file an expenditure
40 report in one of the manners prescribed in this section shall result in revocation of any
41 and all registrations of a lobbyist's principal under this Article. No lobbyist's principal
42 may register or reregister under this Article until the lobbyist's principal has fully
43 complied with this section.

1 (f) Appeal of a decision by the Secretary of State under this section shall be in
2 accordance with Article 3 of Chapter 150B of the General Statutes.

3 (g) The Secretary of State may adopt rules to facilitate complete and timely
4 disclosure of expenditures, including the format of reports and additional categories of
5 information, and to protect the addresses of payees under protective order issued
6 pursuant to Chapter 50B of the General Statutes or participating in the Address
7 Confidentiality Program pursuant to Chapter 15C of the General Statutes. The Secretary
8 of State shall not impose any penalties or late filing fees upon a principal for subsequent
9 failures to comply with the requirements of this section if the Secretary of State failed to
10 provide to the lobbyist's principal with required notifications of the initial violation.
11 This provision shall not apply to a failure by the principal to file an expenditure report
12 in a timely manner.

13 "§ 120-47.7A. Reserved for future codification purposes.

14 "§ 120-47.7B. Powers and duties of the Secretary of State.

15 (a) The Secretary of State shall perform systematic reviews of reports required to
16 be filed under G.S. 120-47.6 and G.S. 120-47.7 on a regular basis to assure complete
17 and timely disclosure of allowable expenditures.

18 (b) The Secretary of State may petition the Superior Court of Wake County for
19 the approval to issue subpoenas and subpoenas duces tecum as necessary to conduct
20 investigations of violations of this Article. The court shall authorize subpoenas under
21 this subsection when the court determines they are necessary for the enforcement of this
22 Article. Subpoenas issued pursuant to this subsection shall be enforceable by the court
23 through contempt powers. Venue shall be with the Superior Court of Wake County for
24 any nonresident person, or that person's agent, who makes a reportable expenditure
25 under this Article, and personal jurisdiction may be asserted under G.S. 1-75.4.

26 (c) Complaints of violations of this Article and all other records accumulated in
27 conjunction with the investigation of these complaints shall be considered records of
28 criminal investigations under G.S. 132-1.4.

29 "§ 120-47.7C. Prohibitions.

30 (a) No member or former member of the General Assembly may be employed as
31 ~~an executive or legislative~~ a lobbyist by a lobbyist's principal to lobby as defined in this
32 Article ~~or Article 4C of Chapter 147 of the General Statutes~~ within ~~six months~~ one year
33 after the end of that member's service in the General Assembly.

34 (b) No person serving as ~~Governor, as a member of the Council of State,~~ a
35 Constitutional officer of the State or as a head of a principal State department listed in
36 G.S. 143B-6 may be employed as ~~an executive or legislative~~ a lobbyist by a lobbyist's
37 principal to lobby as defined in this Article ~~or Article 4C of Chapter 147 of the General~~
38 ~~Statutes~~ within ~~six months~~ one year after separation from employment or leaving office.

39 (c) No individual registered as a ~~legislative~~ lobbyist shall serve as a campaign
40 treasurer ~~under Chapter 163 of the General Statutes~~ as defined in G.S. 163-278.6(19) for
41 a campaign for election as a member of the ~~General Assembly~~ Assembly or a
42 Constitutional officer of the State.

43 (d) A ~~legislative or executive~~ lobbyist shall not be eligible for appointment by a
44 State official to any body created under the laws of this State that has regulatory

1 authority over the activities of a person that the lobbyist currently represents or has
2 represented within 60 days after the expiration of the lobbyist's registration representing
3 that person. Nothing herein shall be construed to prohibit appointment by any unit of
4 local government.

5 (e) No ~~legislative or executive~~ lobbyist or another acting on the lobbyist's behalf
6 shall permit a covered ~~person~~ person, ~~legislative employee, executive branch officer,~~ or
7 that person's immediate family member, to use the cash or credit of the lobbyist for the
8 purpose of lobbying unless the lobbyist is in attendance at the time of the expenditure.

9 **"§ 120-47.8. Persons exempted from provisions of Article.**

10 Except as otherwise provided in this Article, the provisions of this Article shall not
11 be construed to apply to any of the ~~following~~ following lobbying activities:

- 12 (1) An individual solely engaged in expressing a personal opinion or
13 stating facts or recommendations on legislative matters to members of
14 the General Assembly and not acting as a legislative lobbyist.
- 15 (2) A person appearing before a ~~legislative committee~~ committee,
16 commission, board, council, or other collective body whose
17 membership includes one or more covered persons at the invitation or
18 request of the committee or a member thereof and who engages in no
19 further activities as a legislative lobbyist.
- 20 (3) a. A duly elected or appointed official or employee of the State,
21 the United States, a county, municipality, school district or
22 other governmental agency, when appearing solely in
23 connection with matters pertaining to the office and public
24 duties.
- 25 b. Notwithstanding the persons exempted in this Article, the
26 ~~Governor, Council of State, Constitutional officers of the State~~
27 and all appointed heads of State departments, agencies and
28 institutions, shall designate all authorized official ~~legislative~~
29 liaison personnel and shall file and maintain current lists of
30 designated ~~legislative~~ liaison personnel with the Secretary of
31 State.
- 32 (4) A person performing professional services in drafting ~~bills~~ bills, or in
33 advising and rendering opinions to clients, or to covered persons on
34 behalf of clients, as to the construction and effect of proposed or
35 pending ~~legislation~~ legislative or executive action where the
36 professional services are not otherwise connected with the legislative
37 or executive action.
- 38 (5) A person who owns, publishes or is employed by any news medium
39 while engaged in the acquisition or dissemination of news on behalf of
40 the news medium.
- 41 (6) Repealed by Session Laws 1991, c. 740, s. 1.1.
- 42 (7) ~~Covered persons and legislative employees~~ persons while acting in
43 their official capacity.

- 1 (8) A person responding to inquiries from a ~~member of the General~~
2 ~~Assembly or a legislative employee,~~ covered person and who engages
3 in no further activities as a ~~legislative lobbyist~~ in connection with that
4 or any other legislative ~~matter or executive action.~~
- 5 (9) An ~~employee who represents the employer's interests in action for no~~
6 ~~more than three hours in a quarter, provided that neither the employee~~
7 ~~nor the employer makes any expenditure as defined in G.S. 120-47.1.~~
8 individual while participating in an advocacy day.
- 9 (10) A person appearing before an executive branch agency or department
10 on behalf of another person, on an individual application for a license
11 or permit, or a disciplinary action on a license or permit.
- 12 (11) A person appearing before an executive branch officer on behalf of
13 another person with respect to a proposed sale or lease of real property,
14 goods or services to the State, or construction of property by the State.
- 15 (12) A person appearing before an executive branch agency or department
16 or an executive branch officer on behalf of another person or entity in
17 connection with an application for a grant, loan, determination or
18 eligibility, or certification.

19 **"§ 120-47.8A. Expenditures made by persons exempted or not covered by this**
20 **Article.**

21 (a) If a covered person ~~or a legislative employee~~ accepts an expenditure made for
22 the purpose of lobbying valued over two hundred dollars (\$200.00) from a person or
23 group of persons acting together, exempted or not otherwise covered by this Article, the
24 person, or group of persons, making the expenditure shall report the date, a description
25 of the expenditure, the name and address of the person, or group of persons, making the
26 expenditure, the name of the covered person ~~or legislative employee~~ accepting the
27 expenditure, and the estimated fair market value of the expenditure.

28 (b) If the person making the expenditure in subsection (a) of this section is
29 outside North Carolina, and the covered person ~~or legislative employee~~ accepting the
30 expenditure is also outside North Carolina at the time the person accepts the
31 expenditure, then the person accepting the expenditure shall be responsible for filing the
32 report using available information.

33 (c) If a covered person ~~or a legislative employee~~ accepts a scholarship valued
34 over two hundred dollars (\$200.00) from a person, or group of persons, acting together,
35 exempted or not covered by this Article, the person, or group of persons, granting the
36 scholarship shall report the date of the scholarship, a description of the event involved,
37 the name and address of the person, or group of persons, granting the scholarship, the
38 name of the covered person ~~or legislative employee~~ accepting the scholarship, and the
39 estimated fair market value.

40 (d) If the person granting the scholarship in subsection (c) of this section is
41 outside North Carolina, the covered person ~~or legislative employee~~ accepting the
42 scholarship shall be responsible for filing the report.

43 (e) This section shall not apply to any of the following:

- 1 (1) ~~Lawful campaign contributions.~~ contributions properly received and
2 reported as required under Article 22A of Chapter 163 of the General
3 Statutes.
- 4 (2) Any gift from ~~a~~ an extended family member to a covered person.
5 ~~person or legislative employee.~~
- 6 (3) Gifts associated primarily with the covered ~~person's,~~ legislative
7 employee's, ~~person's~~ or that person's immediate family member's
8 ~~nonlegislative~~ employment.
- 9 (4) Gifts, other than food, beverages, travel, and lodging, which are
10 received from a person who is a citizen of a country other than the
11 United States or a state other than North Carolina and given during a
12 ceremonial presentation or as a custom.
- 13 (5) A thing of value that is paid for by the State.

14 (f) Reports required by this section shall be filed within 10 business days after
15 the end of the quarter in which the expenditure was made, with the Secretary of State in
16 a manner prescribed by the Secretary of State, which may include electronic reports.

17 **"§ 120-47.8B. Advocacy Day.**

18 (a) No lobbyist's principal may conduct more than one advocacy day per
19 calendar year.

20 (b) All advocacy days to lobby the General Assembly must be scheduled through
21 the Legislative Services Office.

22 (c) All advocacy days to lobby executive branch officers must be scheduled
23 through the Governor's Office.

24 (d) All lobbyists' principals conducting an advocacy day shall comply with this
25 Article while conducting the advocacy day.

26 **"§ 120-47.9. Punishment for violation.**

27 (a) Whoever willfully violates any provision of this Article shall be guilty of a
28 Class 1 misdemeanor. In addition, no ~~legislative~~ lobbyist who is convicted of a violation
29 of the provisions of this Article shall in any way act as a ~~legislative or executive~~
30 lobbyist for a period of two years following conviction.

31 (b) In addition to the criminal penalties set forth in this section, the Secretary of
32 State may levy civil fines for willful false or incomplete reporting up to five thousand
33 dollars (\$5,000) per violation.

34 **"§ 120-47.10. Enforcement of Article by Attorney General.**

35 (a) The Secretary of State may investigate complaints of violations of this Article
36 ~~The Secretary of State and~~ shall report apparent violations of this Article to the Attorney
37 General. The Attorney General shall, upon complaint, make an appropriate investigation
38 thereof, and the Attorney General shall forward a copy of the investigation to the district
39 attorney of the prosecutorial district as defined in G.S. 7A-60 of which Wake County is
40 a part, who shall prosecute any person who violates any provisions of this Article.

41 (b) Complaints of violations of this Article involving the Secretary of State or
42 any member of the Department of the Secretary of State shall be referred to the
43 Attorney General for investigation in accordance with G.S. 120-47.7B. Any portion of
44 the complaint not involving alleged violations of this Article by the Secretary of State or

1 any member of the Department of the Secretary of State shall remain with the Secretary
2 of State for investigation. The Attorney General shall, upon receipt of a complaint,
3 make an appropriate investigation thereof, and the Attorney General shall forward a
4 copy of the investigation to the District Attorney of the prosecutorial district as defined
5 in G.S. 7A-60 of which Wake County is a part, who shall prosecute any person who
6 violates any provisions of this Article.

7 (c) Complaints of improper lobbying involving the Attorney General or any
8 member of the Department of Justice shall be investigated by the Secretary of State and
9 any apparent violations reported to the District Attorney of that prosecutorial district as
10 defined in G.S. 7A-60 of which Wake County is a part. The District Attorney of that
11 prosecutorial district shall, upon receipt of the Secretary of State's report, prosecute any
12 person who violates any provisions of this Article.

13 **"§ 120-47.11. Rules and forms.**

14 (a) The Secretary of State shall adopt any rules, orders, forms, and definitions as
15 are necessary to carry out the provisions of this Article. The Secretary of State may
16 appoint a council to advise the Secretary in adopting rules under this section.

17 (b) The Secretary of State shall adopt rules to protect from disclosure all
18 confidential information under Chapter 132 related to economic development initiatives
19 or to industrial or business recruitment activities. The information shall remain
20 confidential until the State, a unit of local government or the business has announced a
21 commitment by the business to expand or locate a specific project in this State or a final
22 decision not to do so and the business has communicated that commitment or decision
23 to the State or local government agency involved with the project.

24 **"§ 120-47.12. Limitations on agency ~~legislative~~ liaison personnel.**

25 (a) No State department may use State funds to contract with persons who are
26 not employed by the State to lobby the General Assembly.

27 (b) No more than two persons in each State department and constituent
28 institution of The University of North Carolina may be registered to lobby the General
29 Assembly or designated as ~~legislative~~ liaison personnel pursuant to this Article.

30 (c) All persons designated as ~~legislative~~ liaison personnel pursuant to this Article
31 and the State department or constituent institution of The University of North Carolina
32 that employs the ~~legislative~~ liaison personnel shall report all expenditures made for
33 lobbying purposes in the same manner as required for ~~legislative~~ lobbyists under
34 G.S. 120-47.6 and lobbyists' principals under G.S. 120-47.7. The registration and
35 authorization fees required under G.S. 120-47.3 and G.S. 120-47.4 shall not apply to
36 ~~legislative~~ liaison personnel or the State department or constituent institution that
37 employs the ~~legislative~~ liaison personnel."

38 **"§ 120-47.13. Advisory opinions.**

39 (a) At the request of any person affected by this Article, the Secretary of State
40 shall render advisory opinions on specific questions involving the meaning and
41 application of this Article and the covered person's compliance therewith. The request
42 shall be in writing and relate prospectively to real or reasonably anticipated fact settings
43 or circumstances. The Secretary of State shall issue advisory opinions having
44 prospective application only. Reliance upon a requested written advisory opinion on a

1 specific matter shall immunize the covered person, on that matter, from both of the
2 following:

3 (1) Investigation by the Secretary of State.

4 (2) Any adverse action by the employing entity.

5 (b) Staff to the Secretary of State may issue advisory opinions under rules
6 adopted by the Secretary of State.

7 (c) The Secretary of State shall interpret the provisions of this Article by rules,
8 and these interpretations shall be binding on all covered persons, lobbyists, and
9 lobbyists' principal upon publication.

10 (d) The Secretary of State shall publish its advisory opinions at least once a year,
11 edited as necessary to protect the identities of the individuals requesting opinions.

12 (e) Except as provided under subsection (d) of this section, requests for advisory
13 opinions and advisory opinions issued pursuant to this section are confidential and not
14 matters of public record.

15 **"§ 120A-14. Lobbying education program.**

16 (a) The Secretary of State shall develop and implement a lobbying education and
17 awareness program designed to instill in all covered persons, lobbyists, and lobbyists'
18 principals a keen and continuing awareness of their obligations and a sensitivity to
19 situations that might result in real or potential violation of this Article or other related
20 laws. The Secretary shall make basic lobbying education and awareness presentations to
21 all covered persons upon their election, appointment, or hiring and shall offer periodic
22 refresher presentations as the Secretary deems appropriate. Every covered person shall
23 participate in a lobbying presentation approved by the Secretary within six months of
24 the person's election, appointment, or hiring and shall attend refresher ethics education
25 presentations at least every two years thereafter in a manner the Secretary deems
26 appropriate. Upon request, the Secretary shall assist each agency in developing in-house
27 education programs and procedures necessary or desirable to meet the agency's
28 particular needs for lobbying education.

29 (b) The Secretary shall publish a newsletter containing summaries of the
30 Secretary's opinions, policies, procedures, and interpretive bulletins as issued from time
31 to time. The newsletter shall be distributed to all covered persons, lobbyists, and
32 lobbyists' principals. Publication under this subsection may be done electronically.

33 (c) The Secretary shall assemble and maintain a collection of relevant State laws,
34 rules, and regulations that set forth lobbying standards applicable to covered persons.
35 The collection of laws, rules, and regulations shall be made available electronically as
36 resource material to covered persons, lobbyists, and lobbyists' principals, upon request.

37 **"§ 120-15. No gift registry.**

38 (a) The Secretary of State shall establish a "No Gifts" registry for persons subject
39 to this Article. The "No Gifts" registry shall be published and updated with the list of
40 lobbyists and lobbyists' principals required under G.S. 120-47.2.

41 (b) Except as provided in this subsection, lobbyists and lobbyists' principals shall
42 not give unsolicited gifts allowed under G.S. 120-47.5A(a1)(2) to persons placing their
43 names on the registry, without the persons' expressed consent. Gifts of informational
44 directories may be given to persons placing their names on the registry.

1 (c) The Secretary shall have the authority to adopt rules to implement this section
2 in compliance with the following criteria:

3 (1) The registration is valid from the time the person registers until
4 January 1 of the following year, unless the person requests in writing
5 the removal of that person's name.

6 (2) The registration shall be in writing.

7 (d) Violations of this section shall not constitute a crime but shall be subject to
8 civil fines of up to five hundred dollars (\$500.00) as levied by the Secretary of State."

9 **SECTION 4.** Sections 2 and 3 of S.L. 2005-456 are repealed.

10 **SECTION 5.1.** G.S. 163-278.6 is amended by adding a new subsection to

11 read:

12 "**§ 163-278.6. Definitions.**

13 When used in this Article:

14 ...

15 (5a) The term 'Constitutional officers of the State' means officers whose
16 offices are established in Article III of the Constitution.

17 ..."

18 **SECTION 5.2.** Article 22A of Chapter 163 of the General Statutes is
19 amended by adding a new section G.S. 163-278.19A to read:

20 "**§ 163-278.13C. Limitation on contributions by registered lobbyists.**

21 (a) No lobbyist registered under Article 9A of Chapter 120 shall do any of the
22 following:

23 (1) Make or offer to make a contribution in excess of two hundred fifty
24 dollars (\$250.00) to a legislator, executive branch official, or candidate
25 campaign committee.

26 (2) Make a contribution in excess of two hundred fifty dollars (\$250.00) to
27 any candidate, officeholder, or political committee, directing or
28 requesting that the contribution be made in turn to a legislator,
29 executive branch official, or candidate campaign committee.

30 (3) Transfer any amount of money or anything of value to any entity,
31 directing or requesting that the entity use what was transferred to
32 contribute to a legislator, executive branch officer, or candidate
33 campaign committee.

34 (4) Solicit a contribution from any individual, political committee, or other
35 entity on behalf of a legislator, executive branch official, or candidate
36 campaign committee. This subdivision does not apply to a registered
37 lobbyist soliciting a contribution on behalf of a political party
38 executive committee if the solicitation is solely for a separate
39 segregated fund kept by the political party limited to use for activities
40 that are not candidate-specific, including generic voter registration and
41 get-out-the-vote efforts, pollings, mailings, and other general activities
42 and advertising that do not refer to a specific individual candidate.

1 (b) No legislator, executive branch official, or candidate campaign committee or
2 the real or purported agent of that legislator, executive branch official, or candidate
3 campaign committee shall do any of the following:

4 (1) Solicit a contribution in excess of two hundred fifty dollars (\$250.00)
5 from a lobbyist registered under Article 9A of Chapter 120 of the
6 General Statutes.

7 (2) Solicit a third party, requesting or directing that the third party directly
8 or indirectly solicit a contribution from a lobbyist registered under
9 Article 9A of Chapter 120 of the General Statutes or relay to the
10 lobbyist registered under Article 9A of Chapter 120 of the General
11 Statutes the legislator's, executive branch official's, or candidate
12 campaign committee's solicitation of a contribution.

13 (3) Accept a contribution in excess of two hundred fifty dollars (\$250.00)
14 from a lobbyist registered under Article 9A of Chapter 120 of the
15 General Statutes.

16 (c) It shall not be deemed a violation of this section for a legislator or executive
17 branch official to serve on a board or committee of an organization that makes a
18 solicitation of a lobbyist registered under Article 9A of Chapter 120 of the General
19 Statutes as long as that legislator or executive branch official does not directly
20 participate in the solicitation and that legislator or executive branch official does not
21 directly benefit from the solicitation.

22 (d) As used in this section, the following terms mean:

23 (1) Candidate campaign committee. – As defined in G.S. 163-278.38Z and
24 that candidate has filed a notice of candidacy for office as a member of
25 the General Assembly or a Constitutional officer of the State.

26 (2) Executive branch official. – As defined in G.S. 120-47.1(1d)(a).

27 (3) Legislator. – As defined in G.S. 120-47.1(4d).

28 (e) A violation of this section is a Class 2 misdemeanor.

29 **SECTION 5.3.** G.S. 163-278.13B(a)(1) reads as rewritten:

30 "(1) "Limited contributor" means a ~~lobbyist registered pursuant to Article~~
31 ~~9A of Chapter 120 of the General Statutes, that lobbyist's agent, that~~
32 ~~lobbyist's principal as defined in G.S. 120-47.1(7), G.S. 120-47~~ or a
33 political committee that employs or contracts with or whose parent
34 entity employs or contracts with a lobbyist registered pursuant to
35 Article 9A of Chapter 120 of the General Statutes."

36 **SECTION 6.** If any section or provision of this act is declared
37 unconstitutional or invalid by the courts, it does not affect the validity of this act as a
38 whole or any part other than the part so declared to be unconstitutional or invalid.

39 **SECTION 7.** Sections 1, 2, 6, and 7 of this act are effective when the act
40 becomes law, and the new G.S. 120-47.7C(d) applies to appointments made on or after
41 that date. The remainder of this act becomes effective January 1, 2007.