

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2005**

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**HOUSE BILL 1849**

Short Title: Lobbying Reforms 2006. (Public)

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Sponsors: Representatives Hackney, Howard, Gibson, Sherrill (Primary Sponsors); Barnhart, Bell, Brubaker, Coates, Earle, Eddins, Fisher, Harrison, Justice, Lucas, Luebke, Martin, McLawhorn, Nye, Ross, Sauls, Setzer, Steen, West, Alexander, L. Allen, Bordsen, Dickson, Glazier, Harrell, Hill, Insko, Jeffus, McGee, Moore, Spear, Underhill, Walend, and Weiss.

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Referred to: Judiciary I.

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May 10, 2006

A BILL TO BE ENTITLED

1 AN ACT TO AMEND THE LEGISLATIVE LOBBYING LAWS BY  
2 ESTABLISHING WAITING PERIODS BEFORE CERTAIN STATE OFFICERS  
3 MAY LOBBY; BY BARRING LOBBYISTS FROM CERTAIN APPOINTMENTS  
4 AND OTHER ACTIVITIES; BY BANNING CERTAIN GIFTS; BY  
5 ESTABLISHING QUARTERLY REPORTING OF EXPENDITURES WITH  
6 ADDITIONAL INTERIM REPORTING; BY EXPANDING THE COVERAGE OF  
7 THE LOBBYING LAWS TO INCLUDE EXECUTIVE BRANCH OFFICERS; BY  
8 LIMITING CAMPAIGN CONTRIBUTIONS BY REGISTERED LOBBYISTS;  
9 AND BY MAKING OTHER CONFORMING CHANGES, AS RECOMMENDED  
10 BY THE HOUSE SELECT COMMITTEE ON ETHICS AND GOVERNMENTAL  
11 REFORM.  
12

13 The General Assembly of North Carolina enacts:

14 **SECTION 1.** Article 9A of Chapter 120 of the General Statutes is amended  
15 to add a new section to read:

16 "**§ 120-47.7C. Prohibitions.**

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

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

24 (c) No individual registered as a legislative lobbyist shall serve as a campaign  
25 treasurer under Chapter 163 of the General Statutes as defined in G.S. 163-278.6(19) for

1 a campaign for election as a member of the General Assembly, Governor, or Council of  
2 State.

3 (d) A legislative lobbyist shall not be eligible for appointment by a State official  
4 to any body created under the laws of this State that has regulatory authority over the  
5 activities of a person that the legislative lobbyist currently represents or has represented  
6 within 60 days after the expiration of the legislative lobbyist's registration representing  
7 that person. Nothing herein shall be construed to prohibit appointment by any unit of  
8 local government.

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

13 **SECTION 2.** Article 9A of Chapter 120 of the General Statutes is amended  
14 to add a new section to read:

15 **"§ 120-47.7B. Powers and duties of the Secretary of State.**

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

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

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

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

32 "Article 9A.

33 "~~Legislative Branch~~ Lobbying.

34 **"§ 120-47.1. Definitions.**

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

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

40 (1a) Advocacy day. – A day that any lobbyist's principal collectively  
41 assembles its membership or employees and advocates for legislative  
42 or executive action.

43 (1b) Constitutional officers of the State. – Officers whose offices are  
44 established in Article III of the Constitution.

- 1           (1c) Executive action. – Any decision, including administration, approval,  
2           disapproval, preparation, recommendation, the rendering of advice,  
3           and investigation, made or contemplated in any proceeding,  
4           application, submission, request for a ruling or other determination,  
5           contract, claim, controversy, investigation, charge, or rule making.
- 6           (1d) Executive branch officer. – All of the following:
- 7           a.     Constitutional officers of the State, persons elected or appointed  
8           as a Constitutional officer of the State prior to taking office, or a  
9           person having filed a notice of candidacy for such office under  
10           G.S. 163-106 or Article 11 of Chapter 163 of the General  
11           Statutes.
- 12           b.     Employees of the Office of the Governor.
- 13           c.     Heads of all principal State departments, as set forth in  
14           G.S. 143B-6, who are appointed by the Governor.
- 15           d.     The chief deputy or chief administrative assistant of each  
16           person designated under sub-subdivisions a. and c. of this  
17           subdivision.
- 18           e.     Confidential assistants and secretaries as defined in  
19           G.S. 126-5(c)(2), to persons designated under sub-subdivisions  
20           a., c., and d. of this subdivision.
- 21           f.     Employees in exempt positions as defined in G.S. 126-5(b) and  
22           employees in exempt positions designated in accordance with  
23           G.S. 126-5(d)(1), (2), or (2a), and confidential secretaries to  
24           these individuals.
- 25           g.     Any other employees or appointees in the principal State  
26           departments as may be designated by the Governor to the extent  
27           that the designation does not conflict with the State Personnel  
28           Act.
- 29           h.     All voting members of boards, including ex officio members  
30           and members serving by executive, legislative, or judicial  
31           branch appointment.
- 32           i.     For The University of North Carolina, the voting members of  
33           the Board of Governors of The University of North Carolina,  
34           the president, the vice-presidents, and the chancellors, the  
35           vice-chancellors, and voting members of the boards of trustees  
36           of the constituent institutions.
- 37           j.     For the System of Community Colleges, the voting members of  
38           the State Board of Community Colleges, the President and chief  
39           financial officer of the System of Community Colleges, the  
40           president, chief financial officer and chief administrative officer  
41           of each community college, and voting members of the boards  
42           of trustees of each community college.
- 43           (1a)(1e) ~~The term "expenditure" means any Expenditure. – Any advance,~~  
44           contribution, conveyance, deposit, distribution, payment, gift, retainer,

1 fee, salary, honorarium, reimbursement, loan, pledge or thing of value  
2 greater than ten dollars ~~(\$10.00)~~, (\$10.00) per single calendar day or a  
3 contract, agreement, promise or other obligation whether or not legally  
4 enforceable, that directly or indirectly is made to, at the request of, for  
5 the benefit of, or on the behalf of a covered ~~person, legislative~~  
6 ~~employee, person~~ or that person's immediate family member.

7 (1f) Extended family. – Spouse, descendant, ascendant, or sibling of the  
8 covered person or, descendant, ascendant, or sibling of the spouse of  
9 the covered person.

10 ~~(1b) The term "executive lobbyist" means a lobbyist registered pursuant to~~  
11 ~~Article 4C of Chapter 147 of the General Statutes.~~

12 ~~(2),(3) Repealed by Session Laws 1991, c. 740, s. 1.1.~~

13 (2a) Gift. – Anything of value without valuable consideration.

14 ~~(3a) The term "immediate family member" means spouse, descendant, or~~  
15 ~~ascendant.~~ Immediate family member. – An unemancipated child of the  
16 covered person residing in the household, and the covered person's  
17 spouse, if not legally separated.

18 ~~(4) The term "legislative action" means the~~ Legislative action. – The  
19 preparation, research, drafting, introduction, consideration,  
20 modification, amendment, approval, passage, enactment, tabling,  
21 postponement, defeat, or rejection of a bill, resolution, amendment,  
22 motion, report, nomination, appointment, or other matter, whether or  
23 not the matter is identified by an official title, general title, or other  
24 specific reference, by the legislature or by a member or employee of  
25 the legislature acting or purporting to act in an official capacity. It also  
26 includes the consideration of any bill by the Governor for the  
27 Governor's approval or veto under Article II, Section 22(1) of the  
28 Constitution or for the Governor to allow the bill to become law under  
29 Article II, Section 22(7) of the Constitution.

30 ~~(4a) The term "legislative employee" means employees~~ Legislative  
31 employee. – Employees and officers of the General Assembly.

32 ~~(4b) The term "legislative liaison personnel" means any~~ Liaison personnel. –  
33 Any State employee or officer whose principal duties, in practice or as  
34 set forth in that person's job description, include lobbying the General  
35 Assembly. Assembly or executive branch officers.

36 ~~(4c) The term "legislative lobbyist" means any lobbyist for or against~~  
37 ~~legislative action.~~

38 ~~(4d) The term "legislator" means a~~ Legislator. – A member or presiding  
39 officer of the General Assembly or Assembly, a person elected or  
40 appointed a member or presiding officer of the General Assembly  
41 prior to taking office, or a person having filed a notice of  
42 candidacy for such office under G.S. 163-106 or Article 11 of Chapter  
43 163 of the General Statutes.

44 ~~(5) The term "lobbying" means any~~ Lobbying. – Any of the following:

- 1 a. Influencing or attempting to influence legislative or executive  
 2 action, or both, through direct communication or activities with  
 3 a covered ~~person, legislative employee, person~~ or that person's  
 4 immediate family member.
- 5 b. Solicitation of others by ~~legislative~~ lobbyists or lobbyists'  
 6 principals to influence legislative or executive action ~~action, or~~  
 7 both.
- 8 c. Developing goodwill through communications or activities,  
 9 including the building of relationships, with a covered ~~person,~~  
 10 ~~legislative employee, person~~ or that person's immediate family  
 11 member with the intention of influencing current or future  
 12 legislative action, but does not include communications or  
 13 activities with a covered ~~person, legislative employee, person~~ or  
 14 that person's immediate family member in a business, civic,  
 15 religious, fraternal, or commercial relationship which is not  
 16 connected to legislative or executive action ~~action, or both.~~
- 17 (6) ~~The term "lobbyist" means an~~ Lobbyist. – An individual who meets any  
 18 of the following criteria:
- 19 a. Is employed and receives compensation, or who contracts for  
 20 economic consideration, for the purpose of lobbying.
- 21 b. Represents another person and receives compensation for the  
 22 purpose of lobbying.
- 23 ~~e. Is legislative liaison personnel.~~
- 24 The term "lobbyist" shall not include those individuals who are  
 25 specifically exempted from this Article by G.S. 120-47.8. For the  
 26 purpose of determining whether an individual is a lobbyist under this  
 27 subdivision, reimbursement of actual travel and subsistence expenses  
 28 shall not be considered compensation; provided, however, that  
 29 reimbursement in the ordinary course of business of these expenses  
 30 shall be considered compensation if a significant part of the  
 31 individual's duties involve lobbying before the General  
 32 ~~Assembly.~~ Assembly or executive branch officers.
- 33 (7) ~~The terms "lobbyist's principal" and "principal" mean the~~ Lobbyist  
 34 principal and principal. – The person on whose behalf the legislative  
 35 lobbyist lobbies. In the case where a lobbyist is compensated by a law  
 36 firm, consulting firm, or other entity retained by a person for  
 37 ~~legislative~~ lobbying, the principal is the person whose interests the  
 38 lobbyist represents in lobbying. In the case of a lobbyist employed or  
 39 retained by an association or other organization, the lobbyist's  
 40 principal is the association or other organization, not the members of  
 41 the association or other organization.
- 42 (7a) ~~The term "news medium" means mainstream~~ News medium. –  
 43 Mainstream media providers whose sole purpose is to report events  
 44 and that does not involve research or advocacy.

- 1           (8) ~~The term "person" means any~~Person. – Any individual, firm,  
2           partnership, committee, association, corporation, business entity, or  
3           any other organization or group of persons which has an independent  
4           legal existence.
- 5           (8a) Public event. – Either of the following:
- 6           a. An organized gathering of individuals open to the general  
7           public or to which a legislator or legislative employee is invited  
8           along with the entire membership of the House, Senate, a  
9           committee, a subcommittee, a county legislative delegation, a  
10           joint committee or legislative caucus and to which at least 10  
11           employees or members of the principal actually attend.
- 12           b. An organized gathering of individuals open to the general  
13           public or to which at least ten executive branch officers are  
14           invited to attend and at least 10 employees or members of the  
15           principal actually attend.
- 16           (9) ~~The General Assembly is in "regular session" from the~~In regular  
17           session. – The date set by law or resolution that the General Assembly  
18           convenes until the General Assembly either:
- 19           a. Adjourns sine die; or  
20           b. Recesses or adjourns for more than 10 days.

21 **§ 120-47.2. Registration procedure.**

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

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

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

41           (d) Within 20 days after the convening of each session of the General Assembly,  
42           the Secretary of State shall furnish each member of the ~~General Assembly~~ Assembly,  
43           Constitutional officers of the State, the head of each principal department of the  
44           Executive Branch, and the State Legislative Library a list of all persons who have

1 registered as executive or legislative lobbyists and whom they represent. Within 20 days  
2 after the beginning of the term of a Governor, the Secretary of State shall furnish the  
3 Governor, each other member of the Council of State, the head of each principal  
4 department of the Executive Branch, and the State Legislative Library a list of all  
5 persons who have registered as executive or legislative lobbyists and whom they  
6 represent. A supplemental list of legislative lobbyists shall be furnished periodically  
7 each 20 days thereafter as the session progresses. while the General Assembly is in  
8 session, and every 60 days thereafter. A supplemental list of executive lobbyists shall be  
9 furnished periodically each 60 days thereafter. For each special session of the General  
10 Assembly, a supplemental list of legislative lobbyists shall be furnished to the State  
11 Legislative Library. All lists required by this section may be furnished electronically.

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

16 **"§ 120-47.3. Registration fee.**

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

24 **"§ 120-47.4. Authorization from lobbyist's principal; fee from principal.**

25 (a) Each legislative lobbyist or lobbyist's principal shall file with the Secretary of  
26 State within 10 business days after the legislative lobbyist's registration a written  
27 authorization signed by the lobbyist's principal authorizing the lobbyist to represent the  
28 principal.

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

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

39 (d) Except as provided for in subsection (e) of this section, a fee of one hundred  
40 dollars (\$100.00) is due and payable to the Secretary of State at the time the lobbyist's  
41 principal's first authorization statement is filed each calendar year for a legislative  
42 lobbyist. ~~The fee for the legislative lobbyist's authorization shall be seventy five dollars~~  
43 ~~(\$75.00) if an authorization for the principal to be represented by an executive lobbyist~~

1 is filed at the same time. No additional fee is due for additional authorizations filed for  
2 legislative lobbyists.

3 (e) The Secretary of State shall adopt rules providing for the waiver or reduction  
4 of the fees required by fee in subsection (d) of this section. The rules shall provide that  
5 the fees be reduced to a total of twenty-five dollars (\$25.00) if the lobbyist's principal  
6 had annual revenues in its most recent fiscal year of three hundred thousand dollars  
7 (\$300,000) or less and is represented by no more than two different lobbyists. This  
8 reduced fee covers authorizations filed for the principal's legislative and executive  
9 lobbyists.

10 **"§ 120-47.5. Contingency lobbying fees and election influence prohibited.**

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

13 (b) No legislative lobbyist or legislative lobbyist's principal person shall attempt  
14 to influence the action of any covered person by the promise of financial support of the  
15 covered person's candidacy, or by threat of financial support in opposition to the  
16 covered person's candidacy in any future election.

17 **"§ 120-47.5A. Certain gifts by lobbyists and lobbyist's principals prohibited;**  
18 **Exemptions and inclusions for reporting purposes.exemptions.**

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

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

- 22 (1) Gifts between an immediate family member or person who is the  
23 stepchild, sibling, mother in law, father in law, son in law,  
24 daughter in law, or members of the household of the covered person or  
25 legislative employee
- 26 (2) Lawful campaign contributions.
- 27 (3) Commercially available loans made on terms not more favorable than  
28 generally available to the public in the normal course of business if not  
29 made for the purpose of lobbying.
- 30 (4) Contractual arrangements or business relationships or arrangements  
31 made in the normal course of business if not made for the purpose of  
32 lobbying.
- 33 (5) The cost of attendance or participation provided by the sponsoring  
34 entity of lodging, and of food and beverages consumed, at events  
35 sponsored by or in conjunction with a civic, charitable, community, or  
36 diplomatic event if the activity or event does not last longer than three  
37 hours.
- 38 (6) Academic scholarships made on terms not more favorable than  
39 scholarships generally available to the public.
- 40 (1) Meals and beverages for immediate consumption in connection with  
41 public events.
- 42 (2) Nonmonetary items, other than food or beverages, with a value not to  
43 exceed ten dollars (\$10.00) provided by a single donor during a single  
44 calendar day.

- 1           (3) Informational materials relevant to the duties of the covered person.
- 2           (4) Reasonable actual expenses for food, registration, travel, and lodging
- 3           of the covered person for a meeting at which the covered person
- 4           participates in a panel or speaking engagement at the meeting related
- 5           to the public servant's duties and when expenses are incurred on the
- 6           actual day of participation in the engagement or incurred within a
- 7           24-hour time period before or after the engagement.
- 8           (5) Items or services received in connection with a state, national, or
- 9           regional organization in which the covered person or the covered
- 10          person's agency is a member.
- 11          (6) Items and services received relating to an educational conference or
- 12          meeting.
- 13          (7) A plaque or similar nonmonetary memento recognizing individual
- 14          services in a field or specialty or to a charitable cause.
- 15          (8) Gifts accepted on behalf of the State.
- 16          (9) Anything generally available or distributed to the general public or all
- 17          other State employees.
- 18          (10) Anything for which fair market value is paid.
- 19          (11) Commercially available loans made on terms not more favorable than
- 20          generally available to the public in the normal course of business if not
- 21          made for the purpose of lobbying.
- 22          (12) Contractual arrangements or business relationships or arrangements
- 23          made in the normal course of business if not made for the purpose of
- 24          lobbying.
- 25          (13) Academic scholarships made on terms not more favorable than
- 26          scholarships generally available to the public.
- 27          (14) Political contributions properly received and reported as required
- 28          under Article 22A of Chapter 163 of the General Statutes.
- 29          (15) Gifts from the covered person's extended family, or a member of the
- 30          same household of the covered person, or gifts received in conjunction
- 31          with a marriage, birth, adoption, or death.
- 32          (16) Things of monetary value given to a executive branch officer valued in
- 33          excess of ten dollars (\$10.00) where the thing of monetary value is
- 34          entertainment or related expenses associated with the public business
- 35          of industry recruitment, promotion of international trade, or the
- 36          promotion of travel and tourism, and the executive branch officer is
- 37          responsible for conducting the business on behalf of the State,
- 38          provided all the following conditions apply:
- 39           a. The executive branch officer did not solicit the thing of value,
- 40           and the executive branch officer did not accept the thing of
- 41           value in the performance of the executive branch officer's
- 42           official duties.
- 43           b. The executive branch officer reports electronically to the
- 44           Commission within 30 days of receipt of the thing of value. The

1 report shall include a description and value of the thing of value  
2 and a description how the thing of value contributed to the  
3 public business of industry recruitment, promotion of  
4 international trade, or the promotion of travel and tourism. This  
5 report shall be posted to the Commission's public Web site.

6 c. A tangible thing of value in excess of ten dollars (\$10.00), other  
7 than meals or beverages, shall be turned over as State property  
8 to the Department of Commerce within 30 days of receipt.

9 (17) Things of monetary value of personal property valued at less than one  
10 hundred dollars (\$100.00) given to an executive branch officer in the  
11 commission of the executive branch officer's official duties if the gift  
12 is given to the executive branch officer as a personal gift in another  
13 country as part of an overseas trade mission, and the giving and  
14 receiving of such personal gifts is considered a customary protocol in  
15 the other country.

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

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

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

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

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

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

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

36 **"§ 120-47.6. Statements of ~~legislative~~ lobbyist's lobbying expenditures required.**

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

1        (a1) In addition to the reports required by subsection (a) of this section, each  
2 lobbyist incurring expenditures with respect to lobbying legislators and legislative  
3 employees shall file a monthly expenditure report while the General Assembly is in  
4 regular session. The monthly expenditure report shall contain information required by  
5 this section with respect to all lobbying of legislators and legislative employees, and is  
6 due within 10 business days of the end of the month. The information on the monthly  
7 expenditure report shall also be included in each quarterly report required by subsection  
8 (a) of this section.

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

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

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

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

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

43        (e) Filing of the required report and payment of the additional fee within the time  
44 extended shall constitute compliance with this section. Failure to file an expenditure

1 report in one of the manners prescribed in this section shall result in revocation of any  
2 and all registrations of a legislative lobbyist under this Article. No ~~legislative~~-lobbyist  
3 may register or reregister under this Article until the ~~legislative~~-lobbyist has fully  
4 complied with this section.

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

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

17 **"§ 120-47.7. Statements of ~~legislative~~-lobbyist's principal lobbying expenditures**  
18 **required.**

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

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

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

- 39 (1) Transportation and lodging.
- 40 (2) Entertainment, food, and beverages.
- 41 (3) Meetings and events.
- 42 (4) Gifts.
- 43 (5) Other expenditures.

- 1           (6) Solicitation of others to lobby, including if such expenditures are  
2           incurred in connection or in concert with other expenditures reportable  
3           under this Article.
- 4           (7) Compensation paid to all lobbyists during the reporting period. If a  
5           legislative lobbyist is a full-time employee of the lobbyist's principal,  
6           or is compensated by means of an annual fee or retainer, the lobbyist's  
7           principal shall estimate and report the portion of the salary, fee, or  
8           retainer that compensates for lobbying.
- 9           (8) Expenditures reimbursed or paid to lobbyists for lobbying that are not  
10           reported on the lobbyist's report, with an itemized description of those  
11           expenditures.

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

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

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

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

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

1 may register or reregister under this Article until the lobbyist's principal 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 principal for subsequent  
11 failures to comply with the requirements of this section if the Secretary of State failed to  
12 provide to the lobbyist's principal with required notifications of the initial violation.  
13 This provision shall not apply to a failure by the principal to file an expenditure report  
14 in a timely manner.

15 "§ 120-47.7A. Reserved for future codification purposes.

16 "§ 120-47.7B. Powers and duties of the Secretary of State.

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

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

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

31 "§ 120-47.7C. Prohibitions.

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

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

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

1 (d) A ~~legislative or executive~~ lobbyist shall not be eligible for appointment by a  
2 State official to any body created under the laws of this State that has regulatory  
3 authority over the activities of a person that the lobbyist currently represents or has  
4 represented within 60 days after the expiration of the lobbyist's registration representing  
5 that person. Nothing herein shall be construed to prohibit appointment by any unit of  
6 local government.

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

11 **"§ 120-47.8. Persons exempted from provisions of Article.**

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

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

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

21 **"§ 120-47.8A. Expenditures made by persons exempted or not covered by this**  
22 **Article.**

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

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

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

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

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

2 (1) Lawful campaign ~~contributions~~, contributions properly received and  
3 reported as required under Article 22A of Chapter 163 of the General  
4 Statutes.

5 (2) Any gift from a an extended family member to a covered person.  
6 person or legislative employee.

7 (3) Gifts associated primarily with the covered person's, legislative  
8 employee's, person's or that person's immediate family member's  
9 nonlegislative employment.

10 (4) Gifts, other than food, beverages, travel, and lodging, which are  
11 received from a person who is a citizen of a country other than the  
12 United States or a state other than North Carolina and given during a  
13 ceremonial presentation or as a custom.

14 (5) A thing of value that is paid for by the State.

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

18 **"§ 120-47.8B. Advocacy Day.**

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

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

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

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

27 **"§ 120-47.9. Punishment for violation.**

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

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

35 **"§ 120-47.10. Enforcement of Article by Attorney General.**

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

43 (b) Complaints of violations of this Article involving the Secretary of State or  
44 any member of the Department of the Secretary of State shall be referred to the

1 Attorney General for investigation in accordance with G.S. 120-47.7B. Any portion of  
2 the complaint not involving alleged violations of this Article by the Secretary of State or  
3 any member of the Department of the Secretary of State shall remain with the Secretary  
4 of State for investigation. The Attorney General shall, upon receipt of a complaint,  
5 make an appropriate investigation thereof, and the Attorney General shall forward a  
6 copy of the investigation to the District Attorney of the prosecutorial district as defined  
7 in G.S. 7A-60 of which Wake County is a part, who shall prosecute any person who  
8 violates any provisions of this Article.

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

15 **"§ 120-47.11. Rules and forms.**

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

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

26 **"§ 120-47.12. Limitations on agency ~~legislative~~ liaison personnel.**

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

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

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

40 **"§ 120-47.13. Advisory opinions.**

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

1 or circumstances. The Secretary of State shall issue advisory opinions having  
2 prospective application only. Reliance upon a requested written advisory opinion on a  
3 specific matter shall immunize the covered person, on that matter, from both of the  
4 following:

5 (1) Investigation by the Secretary of State.

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

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

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

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

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

17 **"§ 120A-14. Lobbying education program.**

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

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

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

39 **"§ 120-15. No gift registry.**

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

43 (b) Except as provided in this subsection, lobbyists and lobbyists' principals shall  
44 not give unsolicited gifts allowed under G.S. 120-47.5A(a1)(2) to persons placing their

1 names on the registry, without the persons' expressed consent. Gifts of informational  
2 directories may be given to persons placing their names on the registry.

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

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

8 (2) The registration shall be in writing.

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

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

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

13 read:

14 "**§ 163-278.6. Definitions.**

15 When used in this Article:

16 ...

17 (5a) The term 'Constitutional officers of the State' means officers whose  
18 offices are established in Article III of the Constitution.

19 ..."

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

22 "**§ 163-278.13C. Limitation on contributions by registered lobbyists.**

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

25 (1) Make or offer to make a contribution to a legislator, executive branch  
26 official, or candidate campaign committee.

27 (2) Make a contribution to any candidate, officeholder, or political  
28 committee, directing or requesting that the contribution be made in  
29 turn to a legislator, executive branch official, or candidate campaign  
30 committee.

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

35 (4) Solicit a contribution from any individual, political committee, or other  
36 entity on behalf of a legislator, executive branch official, or candidate  
37 campaign committee. This subdivision does not apply to a registered  
38 lobbyist soliciting a contribution on behalf of a political party  
39 executive committee if the solicitation is solely for a separate  
40 segregated fund kept by the political party limited to use for activities  
41 that are not candidate-specific, including generic voter registration and  
42 get-out-the-vote efforts, pollings, mailings, and other general activities  
43 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 from a lobbyist registered under Article 9A of  
5 Chapter 120 of the General Statutes.

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

12           (3) Accept a contribution from a lobbyist registered under Article 9A of  
13 Chapter 120 of the General Statutes.

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

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

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

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

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

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

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

28       "(1) ~~"Limited contributor" means a lobbyist registered pursuant to Article~~  
29 ~~9A of Chapter 120 of the General Statutes, that lobbyist's agent, that~~  
30 ~~lobbyist's principal as defined in G.S. 120-47.1(7), G.S. 120-47 or a~~  
31 ~~political committee that employs or contracts with or whose parent~~  
32 ~~entity employs or contracts with a lobbyist registered pursuant to~~  
33 ~~Article 9A of Chapter 120 of the General Statutes."~~

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

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