

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

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HOUSE BILL 1849  
Committee Substitute Favorable 6/30/06

Short Title: Lobbying Reforms 2006.

(Public)

Sponsors:

Referred to:

May 10, 2006

A BILL TO BE ENTITLED

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

The General Assembly of North Carolina enacts:

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

**"§ 120-47.7C. Prohibitions.**

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

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

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

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

1 activities of a person that the legislative lobbyist currently represents or has represented  
2 within 60 days after the expiration of the legislative 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 lobbyist or another acting on the legislative lobbyist's behalf  
6 shall permit a covered person, legislative employee, or that person's immediate family  
7 member to use the cash or credit of the lobbyist for the purpose of lobbying unless the  
8 lobbyist is in attendance at the time of the expenditure."

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

11 **"§ 120-47.7B. Powers and duties of the Secretary of State.**

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

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

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

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

28 "Article 9A.

29 "~~Legislative Branch~~ Lobbying.

30 **"§ 120-47.1. Definitions.**

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

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

36 (1b) Constitutional officers of the State. – Officers whose offices are  
37 established in Article III of the Constitution.

38 (1c) Executive action. – Any decision, including administration, approval,  
39 disapproval, preparation, recommendation, the rendering of advice,  
40 and investigation made or contemplated in any proceeding,  
41 application, submission, request for a ruling or other determination,  
42 contract, claim, controversy, investigation, charge, or rule making.

43 (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, the chancellors, the  
29                 vice-chancellors, and voting members of the boards of trustees  
30                 of the constituent institutions.
- 31           j.     For the System of Community Colleges, the voting members of  
32                 the State Board of Community Colleges, the President and chief  
33                 financial officer of the System of Community Colleges, the  
34                 president, chief financial officer and chief administrative officer  
35                 of each community college, and voting members of the boards  
36                 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, or  
 3                   both, except any of the following:  
 4                   1.     Telephone contacts by volunteers or employees where a  
 5                   third party is not employed for such purpose.  
 6                   2.     Electronic mail transmissions, by volunteers or  
 7                   employees, where a third party is not employed for such  
 8                   purpose.  
 9                   3.     Newsletters sent on a regular basis to members,  
 10                   employees, or those allied in interest.  
 11                   4.     Maintenance of Web sites for information about  
 12                   legislative or executive action, or both.  
 13                   c.     Developing goodwill through communications or activities,  
 14                   including the building of relationships, with a covered ~~person,~~  
 15                   ~~legislative employee,~~ person or that person's immediate family  
 16                   member with the intention of influencing current or future  
 17                   legislative or executive action, but does not include  
 18                   communications or activities with a covered ~~person,~~ legislative  
 19                   ~~employee,~~ person or that person's immediate family member in a  
 20                   business, civic, religious, fraternal, or commercial relationship  
 21                   which is not connected to legislative or executive action,  
 22                   or both.

- 23                   (6)   ~~The term "lobbyist" means an~~ Lobbyist. – An individual who meets any  
 24                   of the following criteria:  
 25                   a.     Is employed and receives compensation, or who contracts for  
 26                   economic consideration, for the purpose of lobbying.  
 27                   b.     Represents another person and receives compensation for the  
 28                   purpose of lobbying.  
 29                   ~~e.     Is legislative liaison personnel.~~

30                   The term "lobbyist" shall not include individuals who are  
 31                   specifically exempted from this Article by G.S. 120-47.8. For the  
 32                   purpose of determining whether an individual is a lobbyist under this  
 33                   subdivision, reimbursement of actual travel and subsistence expenses  
 34                   shall not be considered compensation; provided, however, that  
 35                   reimbursement in the ordinary course of business of these expenses  
 36                   shall be considered compensation if a significant part of the  
 37                   individual's duties involve lobbying before the General  
 38                   ~~Assembly.~~ Assembly or executive branch officers.

- 39                   (7)   ~~The terms "lobbyist's principal" and "principal" mean the~~ Lobbyist  
 40                   principal and principal. – The person on whose behalf the legislative  
 41                   lobbyist lobbies. In the case where a lobbyist is compensated by a law  
 42                   firm, consulting firm, or other entity retained by a person for  
 43                   ~~legislative~~ lobbying, the principal is the person whose interests the  
 44                   lobbyist represents in lobbying. In the case of a lobbyist employed or

1 retained by an association or other organization, the lobbyist's  
2 principal is the association or other organization, not the members of  
3 the association or other organization.

4 (7a) ~~The term "news medium" means mainstream~~News medium. –  
5 ~~media~~Media providers whose sole purpose is to report events and that  
6 does not involve research or advocacy.

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

11 (8a) Public event. – Either of the following:

12 a. An organized gathering of individuals open to the general  
13 public or to which a legislator or legislative employee is invited  
14 along with the entire membership of the House, Senate, a  
15 committee, a subcommittee, a county legislative delegation, a  
16 joint committee, or legislative caucus and to which at least 10  
17 employees or members of the principal actually attend.

18 b. An organized gathering of individuals open to the general  
19 public or to which at least 10 executive branch officers are  
20 invited to attend and at least 10 employees or members of the  
21 principal actually attend.

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

25 a. Adjourns sine die; or

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

27 **"§ 120-47.2. Registration procedure.**

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

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

42 (c) Each ~~legislative~~ lobbyist shall file an amended registration form with the  
43 Secretary of State no later than 10 business days after any change in the information  
44 supplied in the ~~legislative~~ lobbyist's last registration under subsection (b). Each

1 supplementary registration shall include a complete statement of the information that  
2 has changed.

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

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

22 "**§ 120-47.3. Registration fee.**

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

30 "**§ 120-47.4. Authorization from lobbyist's principal; fee from principal.**

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

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

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

1 (d) Except as provided for in subsection (e) of this section, a fee of one hundred  
2 dollars (\$100.00) is due and payable to the Secretary of State at the time the lobbyist's  
3 principal's first authorization statement is filed each calendar year for a legislative  
4 lobbyist. ~~The fee for the legislative lobbyist's authorization shall be seventy-five dollars~~  
5 ~~(\$75.00) if an authorization for the principal to be represented by an executive lobbyist~~  
6 ~~is filed at the same time. No additional fee is due for additional authorizations filed for~~  
7 ~~legislative lobbyists.~~

8 (e) The Secretary of State shall adopt rules providing for the waiver or reduction  
9 of the fees required by ~~fee in~~ subsection (d) of this section. The rules shall provide that  
10 the fees be reduced to a total of twenty-five dollars (\$25.00) if the lobbyist's principal  
11 had annual revenues in its most recent fiscal year of three hundred thousand dollars  
12 (\$300,000) or less and is represented by no more than two different lobbyists. This  
13 reduced fee covers authorizations filed for the principal's legislative and executive  
14 lobbyists.

15 **"§ 120-47.5. Contingency lobbying fees and election influence prohibited.**

16 (a) No person shall act as a ~~legislative~~ lobbyist for compensation that is  
17 dependent upon the result or outcome of any legislative or executive action. Any  
18 compensation paid to a lobbyist that is dependent upon the result or outcome of any  
19 legislative or executive action is subject to forfeiture and shall be paid into the Civil  
20 Penalty and Forfeiture Fund.

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

25 **"§ 120-47.5A. Certain gifts by lobbyists and lobbyist's principals prohibited;**  
26 **Exemptions and inclusions for reporting purposes.exemptions.**

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

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

- 30 (1) ~~Gifts between an immediate family member or person who is the~~  
31 ~~stepchild, sibling, mother in law, father in law, son in law,~~  
32 ~~daughter in law, or members of the household of the covered person or~~  
33 ~~legislative employee.~~
- 34 (2) Lawful campaign contributions.
- 35 (3) ~~Commercially available loans made on terms not more favorable than~~  
36 ~~generally available to the public in the normal course of business if not~~  
37 ~~made for the purpose of lobbying.~~
- 38 (4) ~~Contractual arrangements or business relationships or arrangements~~  
39 ~~made in the normal course of business if not made for the purpose of~~  
40 ~~lobbying.~~
- 41 (5) ~~The cost of attendance or participation provided by the sponsoring~~  
42 ~~entity of lodging, and of food and beverages consumed, at events~~  
43 ~~sponsored by or in conjunction with a civic, charitable, community, or~~



- 1            ~~diplomatic event if the activity or event does not last longer than three~~  
2            ~~hours.~~
- 3            ~~(6) Academic scholarships made on terms not more favorable than~~  
4            ~~scholarships generally available to the public.~~
- 5            (1) Meals and beverages for immediate consumption in connection with  
6            public events.
- 7            (2) Nonmonetary items, other than food or beverages, with a value not to  
8            exceed ten dollars (\$10.00) provided by a single donor during a single  
9            calendar day.
- 10           (3) Informational materials relevant to the duties of the covered person.
- 11           (4) Reasonable actual expenditures for food, registration, travel, and  
12           lodging of the covered person when the expenditures are incurred for  
13           participation in a conference or meeting and the conference or meeting  
14           is one of the following:
- 15               a. An educational conference or meeting.
- 16               b. A conference or meeting related to the covered person's duties  
17               and the covered person participates in a panel or speaking  
18               engagement at the conference or meeting.
- 19           (5) Items or services received in connection with a state, national, or  
20           regional organization in which the covered person or the covered  
21           person's agency is a member.
- 22           (7) A plaque or similar nonmonetary memento recognizing individual  
23           services in a field or specialty or to a charitable cause.
- 24           (8) Gifts accepted on behalf of the State.
- 25           (9) Anything generally made available or distributed to the general public  
26           by the lobbyist or lobbyist's principal or all other State employees.
- 27           (10) Anything for which fair market value is paid.
- 28           (11) Commercially available loans made on terms not more favorable than  
29           generally available to the public in the normal course of business if not  
30           made for the purpose of lobbying.
- 31           (12) Contractual arrangements or business relationships or arrangements  
32           made in the normal course of business if not made for the purpose of  
33           lobbying.
- 34           (13) Academic scholarships made on terms not more favorable than  
35           scholarships generally available to the public.
- 36           (14) Political contributions properly received and reported as required  
37           under Article 22A of Chapter 163 of the General Statutes.
- 38           (15) Gifts from the covered person's extended family, or a member of the  
39           same household of the covered person, or gifts received in conjunction  
40           with a marriage, birth, adoption, or death.
- 41           (16) Things of monetary value given to an executive branch officer valued  
42           in excess of ten dollars (\$10.00) where the thing of monetary value is  
43           entertainment or related expenses associated with the public business  
44           of industry recruitment, promotion of international trade, or the

1 promotion of travel and tourism, and the executive branch officer is  
2 responsible for conducting the business on behalf of the State,  
3 provided all the following conditions apply:

4 a. The executive branch officer did not solicit the thing of value,  
5 and the executive branch officer did not accept the thing of  
6 value in the performance of the executive branch officer's  
7 official duties.

8 b. The executive branch officer reports electronically to the  
9 Commission within 30 days of receipt of the thing of value. The  
10 report shall include a description and value of the thing of value  
11 and a description how the thing of value contributed to the  
12 public business of industry recruitment, promotion of  
13 international trade, or the promotion of travel and tourism. This  
14 report shall be posted to the Commission's public Web site.

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

18 (17) Things of monetary value of personal property valued at less than one  
19 hundred dollars (\$100.00) given to an executive branch officer in the  
20 commission of the executive branch officer's official duties if the gift  
21 is given to the executive branch officer as a personal gift in another  
22 country as part of an overseas trade mission, and the giving and  
23 receiving of such personal gifts is considered a customary protocol in  
24 the other country.

25 (b) For purposes of G.S. 120-47.6 and G.S. 120-47.7, all expenditures as defined  
26 in G.S. 120-47.1(1e) made for the purpose of lobbying shall be reported, including the  
27 following:

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

31 (2) Contractual arrangements or direct business relationships between a  
32 ~~legislative~~ lobbyist or ~~legislative~~ lobbyist's principal and a covered  
33 person, ~~legislative employee~~, or that person's immediate family  
34 member, in effect during the reporting period or the previous 12  
35 months.

36 (3) Expenditures reimbursed to a ~~legislative~~ lobbyist in the ordinary  
37 course of business by the lobbyist's principal or other employer.  
38 Expenditures reimbursed by the lobbyist's principal or other employer  
39 are reported only by the lobbyist.

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

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

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

3 **"§ 120-47.6. Statements of ~~legislative~~ lobbyist's lobbying expenditures required.**

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

11 (a1) In addition to the reports required by subsection (a) of this section, each  
12 lobbyist incurring expenditures with respect to lobbying legislators and legislative  
13 employees shall file a monthly expenditure report while the General Assembly is in  
14 regular session. The monthly expenditure report shall contain information required by  
15 this section with respect to all lobbying of legislators and legislative employees, and is  
16 due within 10 business days of the end of the month. The information on the monthly  
17 expenditure report shall also be included in each quarterly report required by subsection  
18 (a) of this section.

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

- 24 (1) Transportation and lodging.
- 25 (2) Entertainment, food, and beverages.
- 26 (3) Meetings and events.
- 27 (4) Gifts.
- 28 (5) Other expenditures.
- 29 (6) Solicitation of others to lobby, as defined in G.S. 120-47.1(5), as  
30 follows:

- 31 a. Media expenditures in excess of one thousand dollars (\$1,000)  
32 in a reporting period or if a third party is employed or  
33 contracted for such purpose.
- 34 b. Mail expenditures in excess of five hundred dollars (\$500.00) in  
35 a reporting period or if a third party is employed or contracted  
36 for such purpose.
- 37 c. Conferences or other similar events in excess of five hundred  
38 dollars (\$500.00), or if a third party is employed or contracted  
39 for such purpose.

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

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

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

18 (e) Filing of the required report and payment of the additional fee within the time  
19 extended shall constitute compliance with this section. Failure to file an expenditure  
20 report in one of the manners prescribed in this section shall result in revocation of any  
21 and all registrations of a legislative lobbyist under this Article. No ~~legislative~~ lobbyist  
22 may register or reregister under this Article until the ~~legislative~~ lobbyist has fully  
23 complied with this section.

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

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

36 **"§ 120-47.7. Statements of ~~legislative~~ lobbyist's principal lobbying expenditures**  
37 **required.**

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

1       (a1) In addition to the reports required by subsection (a) of this section, each  
2 lobbyist's principal incurring expenditures with respect to lobbying legislators and  
3 legislative employees shall file a monthly expenditure report while the General  
4 Assembly is in regular session. The monthly expenditure report shall contain  
5 information required by this section with respect to all lobbying of legislators and  
6 legislative employees, and is due within 10 business days of the end of the month. The  
7 information on the monthly expenditure report shall also be included in each quarterly  
8 report required by subsection (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 affected by 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 as defined in G.S. 120-47.1(5), as  
20 follows:

21       a. Media expenditures in excess of one thousand dollars (\$1,000)  
22 in a reporting period or if a third party is employed or  
23 contracted for such purpose.

24       b. Mail expenditures in excess of five hundred dollars (\$500.00) in  
25 a reporting period or if a third party is employed or contracted  
26 for such purpose.

27       c. Conferences or other similar events in excess of five hundred  
28 dollars (\$500.00), or if a third party is employed or contracted  
29 for such purpose.

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

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

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

42       ~~In addition, the compensation paid or agreed to be paid to all legislative lobbyists~~  
43 ~~shall be reported, whether or not a covered person, legislative employee, or family~~  
44 ~~member is affected. If a legislative lobbyist is a full time employee of the lobbyist's~~

1 ~~principal, or is compensated by means of an annual fee or retainer, the lobbyist's~~  
2 ~~principal shall estimate and report the portion of the salary, fee, or retainer that~~  
3 ~~compensates for lobbying. The lobbyist's principal's expenditure report shall include an~~  
4 ~~itemized description of all expenditures reimbursed or paid to legislative lobbyists for~~  
5 ~~lobbying that are not reported on the legislative lobbyists' reports.~~

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

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

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

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

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

41 "§ 120-47.7A. Reserved for future codification purposes.

42 "§ 120-47.7B. Powers and duties of the Secretary of State.

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

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

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

15 **"§ 120-47.7C. Prohibitions.**

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

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

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

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

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

39 **"§ 120-47.8. Persons exempted from provisions of Article.**

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

- 42 (1) An individual solely engaged in expressing a personal opinion or  
43 stating facts or recommendations on legislative or executive matters to

1 ~~members of the General Assembly~~ a covered person and not acting as a  
2 legislative lobbyist.

3 (2) A person appearing before a ~~legislative committee~~ committee,  
4 commission, board, council, or other collective body whose  
5 membership includes one or more covered persons at the invitation or  
6 request of the committee or a member thereof and who engages in no  
7 further activities as a ~~legislative lobbyist~~.

8 (3) a. A duly elected or appointed official or employee of the State,  
9 the United States, a county, municipality, school district or  
10 other governmental agency, when appearing solely in  
11 connection with matters pertaining to the office and public  
12 duties.

13 b. Notwithstanding the persons exempted in this Article, the  
14 ~~Governor, Council of State, Constitutional officers of the State~~  
15 and all appointed heads of State departments, agencies and  
16 institutions, shall designate all authorized official ~~legislative~~  
17 liaison personnel and shall file and maintain current lists of  
18 designated ~~legislative~~ liaison personnel with the Secretary of  
19 State.

20 (4) A person performing professional services in drafting ~~bills~~ bills, or in  
21 advising and rendering opinions to clients, or to covered persons on  
22 behalf of clients, as to the construction and effect of proposed or  
23 pending ~~legislation~~ legislative or executive action where the  
24 professional services are not otherwise connected with the legislative  
25 or executive action.

26 (5) A person who owns, publishes or is employed by any news medium  
27 while engaged in the acquisition or dissemination of news on behalf of  
28 the news medium.

29 (6) Repealed by Session Laws 1991, c. 740, s. 1.1.

30 (7) ~~Covered persons and legislative employees~~ persons while acting in  
31 their official capacity.

32 (8) A person responding to inquiries from a ~~member of the General~~  
33 ~~Assembly or a legislative employee~~ covered person and who engages  
34 in no further activities as a ~~legislative lobbyist~~ in connection with that  
35 or any other legislative ~~matter~~ or executive action.

36 (9) An employee who represents the employer's interests in legislative or  
37 executive action for no more than ~~three~~ five hours in a calendar quarter,  
38 provided that neither the employee nor the employer makes any  
39 expenditure as defined in G.S. 120-47.1.

40 (10) A licensed professional communicating with or appearing before an  
41 executive branch officer on behalf of another person in connection  
42 with any of the following:

43 a. Any executive action relating to a license, permit, certification,  
44 or authorization for that person.



- 1           b.    A request for declaratory ruling or other means of seeking  
2           interpretation, application or meaning of any law, regulation,  
3           policy, or other guidance, standard, or procedure as it affects or  
4           might be reasonably construed to affect that person.
- 5           c.    An investigation, notice, charge, request for information, or  
6           asserted violation or other dispute within the executive branch  
7           agency's jurisdiction against that person, whether actual or  
8           reasonably anticipated.
- 9           d.    A hearing, official meeting, enforcement action, notice of  
10          violation, notice of regulatory requirements, or other action in  
11          response to an asserted violation of law, regulations, policy,  
12          permit, or other applicable standard as it affects or might be  
13          reasonably construed to affect that person.
- 14          e.    An application by that person for a determination of eligibility  
15          for a grant, loan, or other receipt of financial assistance  
16          generally available to persons similarly situated, or any  
17          objection, question, or dispute arising out of that application.
- 18          f.    An actual or proposed agreement by or between that person and  
19          the State when the underlying issues could result in litigation if  
20          not resolved.
- 21          (11) A licensed professional communicating with or appearing before an  
22          executive branch officer on behalf of another person in connection  
23          with any actual or reasonably anticipated judicial or quasi-judicial  
24          proceeding, administrative hearing, or rule-making proceeding  
25          involving or affecting the person.
- 26          (12) An employee, board member, or officer of a lobbyist's principal when  
27          the employee, board member, or officer's lobbying activity for that  
28          lobbyist's principal is fewer than five hours in direct communication  
29          with a covered person per calendar quarter.
- 30          (13) Members of a lobbyist's principal, or those allied in interest with a  
31          lobbyist's principal, whose lobbying activity for that lobbyist's  
32          principal is fewer than five hours in direct communication with a  
33          covered person per calendar quarter.

34    **"§ 120-47.8A. Expenditures made by persons exempted or not covered by this**  
35    **Article.**

36          (a)    If a covered person ~~or a legislative employee~~ accepts an expenditure made for  
37    the purpose of lobbying valued over two hundred dollars (\$200.00) from a person or  
38    group of persons acting together, exempted or not otherwise covered by this Article, the  
39    person, or group of persons, making the expenditure shall report the date, a description  
40    of the expenditure, the name and address of the person, or group of persons, making the  
41    expenditure, the name of the covered person ~~or legislative employee~~ accepting the  
42    expenditure, and the estimated fair market value of the expenditure.

43          (b)    If the person making the expenditure in subsection (a) of this section is  
44    outside North Carolina, and the covered person ~~or legislative employee~~ accepting the

1 expenditure is also outside North Carolina at the time the person accepts the  
2 expenditure, then the person accepting the expenditure shall be responsible for filing the  
3 report using available information.

4 (c) If a covered person ~~or a legislative employee~~ accepts a scholarship valued  
5 over two hundred dollars (\$200.00) from a person, or group of persons, acting together,  
6 exempted or not covered by this Article, the person, or group of persons, granting the  
7 scholarship shall report the date of the scholarship, a description of the event involved,  
8 the name and address of the person, or group of persons, granting the scholarship, the  
9 name of the covered person ~~or legislative employee~~ accepting the scholarship, and the  
10 estimated fair market value.

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

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

15 (1) ~~Lawful campaign contributions.~~ contributions properly received and  
16 reported as required under Article 22A of Chapter 163 of the General  
17 Statutes.

18 (2) Any gift from ~~a~~ an extended family member to a covered person.  
19 ~~person or legislative employee.~~

20 (3) Gifts associated primarily with the covered ~~person's, legislative~~  
21 ~~employee's, person's~~ or that person's immediate family member's  
22 ~~nonlegislative~~ employment.

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

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

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

31 **"§ 120-47.9. Punishment for violation.**

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

36 (b) In addition to the criminal penalties set forth in this section, the Secretary of  
37 State may levy civil fines for ~~willful false or incomplete reporting~~ a violation of any  
38 provision of this Article up to five thousand dollars (\$5,000) per violation.

39 **"§ 120-47.10. Enforcement of Article by Attorney General.**

40 (a) The Secretary of State may investigate complaints of violations of this Article  
41 ~~The Secretary of State~~ and shall report apparent violations of this Article to the Attorney  
42 General. The Attorney General shall, upon complaint, make an appropriate investigation  
43 thereof, and the Attorney General shall forward a copy of the investigation to the district

1 attorney of the prosecutorial district as defined in G.S. 7A-60 of which Wake County is  
2 a part, who shall prosecute any person who violates any provisions of this Article.

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

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

19 **"§ 120-47.11. Rules and forms.**

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

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

30 **"§ 120-47.12. Limitations on agency ~~legislative~~ liaison personnel.**

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

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

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

44 **"§ 120-47.13. Advisory opinions.**

1       (a) At the request of any person affected by this Article, the Secretary of State  
2 shall render advisory opinions on specific questions involving the meaning and  
3 application of this Article and the covered person's compliance therewith. The request  
4 shall be in writing and relate prospectively to real or reasonably anticipated fact settings  
5 or circumstances. The Secretary of State shall issue advisory opinions having  
6 prospective application only. Reliance upon a requested written advisory opinion on a  
7 specific matter shall immunize the covered person, on that matter, from both of the  
8 following:

9           (1) Investigation by the Secretary of State.

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

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

13       (c) The Secretary of State shall interpret the provisions of this Article by rules,  
14 and these interpretations shall be binding on all covered persons, lobbyists, and  
15 lobbyists' principals upon publication.

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

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

21 **"§ 120-47.14. Lobbying education program.**

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

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

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

44 **"§ 120-47.15. No gift registry.**

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

4       (b) Except as provided in this subsection, lobbyists and lobbyists' principals shall  
5 not give gifts allowed under G.S. 120-47.5A(a1)(2) to persons placing their names on  
6 the registry. Gifts of informational directories may be given to persons placing their  
7 names on the registry.

8       (c) The Secretary of State shall have the authority to adopt rules to implement  
9 this section in compliance with the following criteria:

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

13       (2) The registration shall be in writing.

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

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

17       **SECTION 5.** G.S. 163-278.13 is amended by adding a new subsection to  
18 read:

19       "(c1) Notwithstanding the provisions of subsections (a) and (b) of this section, it  
20 shall be unlawful for any lobbyist registered under Chapter 120 of the General Statutes  
21 to contribute a total of more than four thousand dollars (\$4,000) in any election to one  
22 or more candidates, or candidate campaign committees as defined in G.S. 163-278.38Z  
23 for a constitutional officer of the State as defined in G.S. 120-47.1(1d)a. or a legislator  
24 as defined in G.S. 120-47.1(4d)."

25       **SECTION 6.** If House Bill 1843, 2005 Regular Session, becomes law,  
26 G.S. 120-290(c)(9), as enacted by that law, reads as rewritten:

27       "(9) Anything generally made available or distributed to the general public  
28 by the lobbyist or lobbyist's principal or generally available to all other  
29 State employees."

30       **SECTION 7.** If House Bill 1844, 2005 Regular Session, becomes law,  
31 G.S. 138A-7(d)(9) as enacted by that law, reads as rewritten:

32       "(9) Anything generally made available or distributed to the general public  
33 by the lobbyist or lobbyist's principal or generally available to all other  
34 State employees."

35       **SECTION 8.** If House Bill 1843, 2005 Regular Session, becomes law,  
36 G.S. 120-290(c)(4) as enacted by that law, reads as rewritten:

37       "(4) Reasonable actual expenses for food, registration, travel, and lodging  
38 of the legislator or legislative employee ~~for a meeting at which the~~  
39 ~~legislator or legislative employee participates in a panel or speaking~~  
40 ~~engagement at the meeting related to the legislator's or legislative~~  
41 ~~employee's duties and when expenses are incurred on the actual day of~~  
42 ~~participation in the engagement a conference or meeting or incurred~~  
43 ~~within a 24 hour time period before or after the engagement and the~~  
44 conference or meeting is one of the following:

- 1                   a.     An educational conference or meeting.  
2                   b.     A conference or meeting related to the covered person's duties  
3                         and the covered person participates in a panel or speaking  
4                         engagement at the conference or meeting."

5                   **SECTION 9.** If House Bill 1843, 2005 Regular Session, becomes law,  
6 G.S. 120-290(c)(6) is repealed.

7                   **SECTION 10.** If House Bill 1844, 2005 Regular Session, becomes law,  
8 G.S. 138A-7(d)(4) as enacted by that law, reads as rewritten:

9                   "(4) Reasonable actual expenses for food, registration, travel, and lodging  
10 of the public servant ~~for a meeting at which the public servant~~  
11 ~~participates in a panel or speaking engagement at the meeting related~~  
12 ~~to the public servant's duties and when expenses are incurred on the~~  
13 actual day of participation in ~~the engagement~~ a conference or  
14 ~~incurred within a 24 hour time period before or after the~~  
15 ~~engagement~~ conference or meeting and the conference or meeting is  
16 one of the following:

- 17                   a.     An educational conference or meeting.  
18                   b.     A conference or meeting related to the covered person's duties  
19                         and the covered person participates in a panel or speaking  
20                         engagement at the conference or meeting."

21                   **SECTION 11.** If House Bill 1844, 2005 Regular Session, becomes law,  
22 G.S. 138A-7(d)(6) is repealed.

23                   **SECTION 12.** If any section or provision of this act is declared  
24 unconstitutional or invalid by the courts, it does not affect the validity of this act as a  
25 whole or any part other than the part so declared to be unconstitutional or invalid.

26                   **SECTION 13.** Sections 1, 2, 12, and 13 of this act are effective when the act  
27 becomes law, and the new G.S. 120-47.7C(d) applies to appointments made on or after  
28 that date. The remainder of this act becomes effective January 1, 2007.