

Joint Subcommittee Studying Conflict of Interest and Lobbyist Disclosure Forms (HJR 186 2004)

Issues for Consideration - REVISED

A. General Assembly Conflict of Interest Act

- 1) Review the timing for the disclosure filing by legislators. Lobbyists are required to provide their forms to the legislator by January 5th. The legislator is required to submit the General Assembly disclosure form to the respective clerks by January 8th. This gives the legislative members only three days to review and cross reference, if needed, any information from the lobbyist form. Review the time frames and consider changing the submission dates. **(RESOLVED: House Bill 2112)**
- 2) Consider changing the affirmation to read more clearly. The notarized portion of the form may be confusing to a notary because of the City/County distinction.
- 3) Clarify whether individual stocks and amounts should be listed separately on the form.
- 4) Expand the “*Payments for Representation and Other Services*” portion of the form to include payments made by a legislator to a lobbyist for representation or other services.
- 5) Require enhanced disclosure, i.e. frequency and/or detail, for legislators receiving payments over a certain threshold amount for representation or other services.
- 6) Explore electronic filing as an option.
- 7) Examine whether legislators should be prohibited from having a personal interest in a comprehensive agreement under the Public-Private Education Facilities and Infrastructure Act. **(ADDED 5/23/05)**
- 8) Consider adding a provision to resolve situations when filing deadlines fall on a holiday. **(ADDED 5/23/05)**

B. State and Local Government Conflict of Interest Act

- 1) Excuse reappointed individuals who have filed in January from having to file again when reappointed in the months after January. **(RESOLVED: House Bill 2111)**
- 2) Allow individuals serving on multiple boards or other entities to file a single statement. **(RESOLVED: House Bill 2111)**

- 3) Excuse or exempt from the filing requirement individuals who no longer occupy the positions for which they were required to file.
- 4) Require the heads of independent, legislative and judicial agencies to disclose their interests.
- 5) Add a definition for the term “represent.” (Persons commonly confuse lobbying representation and legal representation).
- 6) Revise the definition of “close financial association” to affirmatively state what would constitute such an association.
- 7) Add a definition for “contingent liability.”
- 8) Add a definition for “furnishing.” (For example, if an individual provides services as a condition of employment- does that constitute *furnishing*?)
- 9) Revise Schedule C disclosure provisions for securities.
 - a) Consider revising the schedule requesting the filer to disclose securities invested in one business with value over \$10,000. The filer must also account for individual mutual funds, few of which include ownership of \$10,000 or more in one business.
 - b) Provide examples for the filer to follow to alleviate confusion regarding information requested on the name of issuer, the type of entity, and the type of security.
 - c) Add provision for disclosure of economic interest when the filer has begun to collect previously deferred compensation.
 - d) Revise instructions to include information or examples based on Attorney General opinions.
- 10) Revise/clarify the disclosure provision for close financial associates.
- 11) Require enhanced disclosure, i.e. frequency and/or detail, for filers receiving payments over a certain threshold amount for representation or other services.
- 12) Explore electronic filing as an option.
- 13) Examine whether state and local government officials should be prohibited from having a personal interest in a comprehensive agreement under the Public-Private Education Facilities and Infrastructure Act. **(ADDED 5/23/05)**
- 14) Consider adding a provision to resolve situations when filing deadlines fall on a holiday. **(ADDED 5/23/05)**

- 15) Examine the adequacy of information provided by citizen members of boards on the Financial Disclosure Statement. (ADDED 5/23/05)

C. Lobbyist Disclosure and Regulation Act

- 1) Raise the threshold for reporting any single entertainment. (Threshold is \$50)
- 2) Exempt lobbyists who are not compensated.
- 3) Remove requirement that the filer disclose why they received no compensation if they indicated on the form that as a lobbyist they are not compensated.
- 4) Explore increased use of electronic filing as an option.
- 5) Explore methods for increased enforcement to enhance compliance, and accuracy of filing.
- 6) Explore whether the lobbyist disclosure form should be set out in the Code? The objective should be compliance with the reporting provisions. If the forms are difficult to understand and unclear in terms of the information requested, action should be taken to make them more "user friendly." (ADDED 5/23/05)
- 7) Clarify the use and meaning of the terms "value" and "expenditure." These terms are problematic and often misunderstood. The conflict of interest statutes use the term and concept of "value," while lobbyist disclosure provisions use "expenditure." In the case of a given event that is held, the lobbyists are reporting what the event costs to them while the legislator is reporting the value. (ADDED 5/23/05)
- 8) Review the requirement that legislators include a cumulative amount of their gifts, while it is not clear whether lobbyists are required to report cumulative amounts. (ADDED 5/23/05)
- 9) Review how to properly report events that do not consist totally of lobbying activity. (ADDED 5/23/05)
- 10) Clarify the use of different reporting dates for lobbyists and legislators. The different reporting dates create some confusion and delay in the information reported. Should consider making the reporting dates line up more closely. (ADDED 5/23/05)
- 11) Examine the issue of local government employees who are not required to register under the current definition of "lobbyist." (ADDED 5/23/05)
- 12) Examine the necessity of having the lobbyist and the principal sign the disclosure form? Currently the requirement creates difficulty for lobbying concerns that do work for foreign-based companies. (ADDED 5/23/05)