

AMENDMENTS TO HOUSE BILL NO. 1601

Sponsor: REPRESENTATIVE GROVE

Printer's No. 1766

1 Amend Bill, page 1, lines 2 through 5, by striking out "in
2 lobbying disclosure, further" in line 2 and all of lines 3
3 through 5 and inserting
4 in lobbying disclosure, further providing for definitions, for
5 registration and for reporting, providing for statement of
6 financial interests and further providing for exemption from
7 registration and reporting, for prohibited activities, for
8 administration and for penalties; making a related repeal;
9 and making editorial changes.

10 Amend Bill, page 1, lines 8 and 9, by striking out all of
11 said lines and inserting

12 Section 1. Section 13A03 of Title 65 of the Pennsylvania
13 Consolidated Statutes is amended by adding a definition to read:
14 § 13A03. Definitions.

15 The following words and phrases when used in this chapter
16 shall have the meanings given to them in this section unless the
17 context clearly indicates otherwise:

18 * * *

19 "Campaign consultant." An individual who receives
20 compensation for professional campaign-related services,
21 including, but not limited to, political, strategic, advisory or
22 fundraising services, rendered to a campaign to elect an
23 individual to office.

24 * * *

25 Section 2. Section 13A04(a), (d)(1) and (e)(1), (2) and (4)
26 of Title 65 are amended and the section is amended by adding a
27 subsection to read:

28 § 13A04. Registration.

29 (a) General rule.--Unless excluded under section 13A06
30 (relating to exemption from registration and reporting), a
31 lobbyist, lobbying firm [or a], principal or campaign consultant
32 must register with the department electronically using the
33 computerized filing system developed by the department that is
34 consistent with the purposes of this chapter within ten days of
35 acting in any capacity as a lobbyist, lobbying firm [or],

principal or campaign consultant. Registration shall be biennial
[and shall begin January 1, 2007].

* * *

(c.1) Campaign consultants.--A campaign consultant who is
required to register under subsection (a) shall file a single
registration statement providing the following information to
the department:

(1) Name.

(2) Permanent business address.

(3) Daytime telephone number.

(4) E-mail address, if available.

(5) Name of the political candidate or candidates for
whom the campaign consultant will be providing services or
assistance or for whom the campaign consultant has provided
services or assistance in the past 12 months.

(6) Each office for which a political candidate
identified in paragraph (5) is seeking or sought election.

(d) Amendments.--

(1) If there is a change of information required for the
registration statement under subsection (b)(1) or (2) [or],
(c) or (c.1), an amended registration statement shall be
filed with the department electronically using the
computerized filing system developed by the department that
is consistent with the purpose of this chapter within 14 days
after the change occurs.

* * *

(e) Termination.--

(1) A lobbyist, lobbying firm [or], principal or
campaign consultant may terminate registration by filing
notice of termination with the department electronically
using the computerized filing system developed by the
department that is consistent with the purpose of this
chapter.

(2) After a review of the notice of termination, but no
later than 15 days after receipt of the notice, the
department shall issue to the lobbyist, lobbying firm [or],
principal or campaign consultant a letter stating that the
registrant has terminated registration. The filing of notice
shall not affect the commission's authority to conduct
investigations and hearings under section 13A08(g) (relating
to administration).

* * *

(4) Nothing in this subsection shall be construed to
exempt a lobbyist, lobbying firm [or], principal or campaign
consultant from any of the requirements in section 13A05
(relating to expense reporting).

Section 3. The heading of section 13A05 of Title 65 is
amended to read:

Amend Bill, page 1, line 12, by striking out "2" and

1 inserting

2 4

3 Amend Bill, page 1, lines 13 through 18; pages 2 and 3, lines
4 1 through 30; page 4, lines 1 through 3; by striking out all of
5 said lines on said pages and inserting

6 § 13A05.1. Statement of financial interests.

7 Each lobbying firm, lobbyist and campaign consultant required
8 to register under section 13A04 (relating to registration)
9 shall, subject to the penalties under 18 Pa.C.S. § 4904
10 (relating to unsworn falsification to authorities), file a
11 statement of financial interests for the preceding calendar year
12 no later than May 1 of each year that the firm, lobbyist or
13 campaign consultant is required to register, and of the year
14 after the firm, lobbyist or campaign consultant is no longer
15 required to register. The statement shall be filed with the
16 department and the commission and shall contain all the
17 information required under section 1105 (relating to statement
18 of financial interests).

19 Section 5. Section 13A06 heading, introductory paragraph,
20 (1), (3), (4), (5), (11) and (12) of Title 65 are amended to
21 read:

22 § 13A06. Exemption from registration and expense reporting.

23 The following persons and activities shall be exempt from
24 registration under section 13A04 (relating to registration) and
25 reporting under section 13A05 (relating to expense reporting):

26 (1) An individual who limits lobbying or campaign
27 consulting to preparing testimony and testifying before a
28 committee of the General Assembly or participating in an
29 administrative proceeding of an agency.

30 * * *

31 (3) An individual who does not receive economic
32 consideration for lobbying or campaign consulting.

33 (4) An individual whose economic consideration for
34 lobbying or campaign consulting, from all principals
35 represented, does not exceed \$2,500 in the aggregate during
36 any reporting period.

37 (5) An individual who engages in lobbying or campaign
38 consulting on behalf of the individual's employer if the
39 lobbying or campaign consulting represents less than 20 hours
40 during any reporting period.

41 * * *

42 (11) An individual representing a bona fide church or
43 bona fide religious body of which the individual is a member
44 where the lobbying or campaign consulting is solely for the
45 purpose of protecting the constitutional right to the free
46 exercise of religion.

47 (12) An individual who is not a registered lobbyist or a

1 registered campaign consultant and who serves on an advisory
2 board, working group or task force at the request of an
3 agency or the General Assembly.

4 * * *

5 Section 6. Section 13A07(c), (d)(1), (2), (3), (4), (5), (6)
6 (ii), (7) and (8) and (f)(1)(i), (vi) and (x) of Title 65 are
7 amended to read:

8 § 13A07. Prohibited activities.

9 * * *

10 (c) Falsification.--A lobbyist, lobbying firm [or],
11 principal or campaign consultant may not, for the purpose of
12 influencing legislative action or administrative action,
13 transmit, utter or publish to a State official or employee a
14 communication, knowing that the communication or a signature on
15 the communication is false, forged, counterfeit or fictitious.

16 (d) Conflicts of interest.--

17 (1) Except as permitted by paragraph (2), a registrant
18 may not lobby nor provide campaign consulting services on
19 behalf of a principal on any subject matter in which the
20 principal's interests are directly adverse to the interests
21 of another principal currently represented by the lobbyist or
22 campaign consultant or was previously represented by the
23 lobbyist or campaign consultant during the current session of
24 the General Assembly or the lobbyist's or campaign
25 consultant's own interests.

26 (2) A lobbyist or campaign consultant may represent a
27 principal in circumstances described in paragraph (1) if:

28 (i) the lobbyist or campaign consultant reasonably
29 believes that the lobbyist or campaign consultant will be
30 able to provide competent and diligent representation to
31 each affected principal;

32 (ii) the lobbyist or campaign consultant provides
33 written notice to each affected principal upon becoming
34 aware of the conflict; and

35 (iii) each affected principal provides informed
36 consent waiving the conflict of interest.

37 (3) If a lobbyist or campaign consultant represents a
38 principal in violation of this section or if multiple
39 representation properly accepted becomes improper under this
40 section and the conflict is not waived, the lobbyist or
41 campaign consultant shall promptly withdraw from one or more
42 representations to the extent necessary for remaining
43 representation to not be in violation of this section.

44 (4) If a lobbyist or campaign consultant is prohibited
45 by this section from engaging in particular conduct, an
46 employer of the lobbyist [or a partner or other person
47 associated with the lobbyist] or campaign consultant may not
48 engage in the particular conduct.

49 (5) A principal [or lobbyist], lobbyist or campaign
50 consultant required to report under section 13A05 (relating
51 to expense reporting) shall include in the report a statement

1 affirming that to the best of the [principal's or lobbyist's
2 knowledge the principal or lobbyist] principal's, lobbyist's
3 or campaign consultant's knowledge, the principal, lobbyist
4 or campaign consultant has complied with this section.

5 (6) Except as provided in paragraph (8), the commission
6 may receive complaints regarding violations of this
7 subsection. If the commission determines a violation of this
8 subsection has occurred, the commission, after investigation,
9 notice and hearing:

10 * * *

11 (ii) may prohibit a lobbyist from lobbying or a
12 campaign consultant from providing campaign consulting
13 services for economic consideration for up to five years.

14 (7) A lobbyist [and], principal and campaign consultant
15 shall maintain the records relating to the conflict of
16 interest set forth in paragraph (2) for a four-year period
17 beginning on the date the conflict is discovered and, in the
18 case of an investigation conducted under paragraph (6),
19 provide copies of the records to the commission upon request.

20 (8) Complaints regarding violations of this subsection
21 involving a lobbyist [or], principal or campaign consultant
22 who is an attorney at law shall be referred to the board to
23 be investigated, considered and resolved in a manner
24 consistent with the Rules of Professional Conduct.

25 * * *

26 (f) Unlawful acts.--

27 (1) A lobbyist [or], principal or campaign consultant
28 may not:

29 (i) Instigate the introduction of legislation for
30 the purpose of obtaining employment to lobby or providing
31 campaign consulting services in opposition to that
32 legislation.

33 * * *

34 (vi) Commit a criminal offense arising from lobbying
35 or campaign consulting.

36 * * *

37 (x) Engage in conduct which brings the practice of
38 lobbying, campaign consulting or the legislative or
39 executive branches of State government into disrepute.

40 * * *

41 Section 7. Section 13A08(a), (d)(1), (g), (h), (j) and (k)
42 of Title 65 are amended and subsection (d)(2) is amended by
43 adding a subparagraph to read:

44 § 13A08. Administration.

45 (a) Advice and opinions.--The commission shall provide
46 advice and opinions under section 1107 (relating to powers and
47 duties of commission) to a lobbyist, a lobbying firm, a
48 principal, a campaign consultant, the department, the board or a
49 State official or employee, that seeks advice regarding
50 compliance with this chapter. A person that acts in good faith
51 based on the written advice or opinion of the commission shall

1 not be held liable for a violation of this chapter if the
2 material facts are as stated in the request.

3 * * *

4 (d) Annual reporting.--

5 (1) The department shall prepare and publish an annual
6 report on lobbying and campaign consulting activities in this
7 Commonwealth.

8 (2) The department shall at least annually publish a
9 list of all of the following:

10 * * *

11 (iv) Registered campaign consultants.

12 * * *

13 (g) Investigation and hearings.--The commission, through its
14 executive director, may initiate an investigation and hold a
15 hearing concerning an alleged violation of this chapter by a
16 lobbyist [or], principal or campaign consultant in accordance
17 with sections 1107 (relating to powers and duties of commission)
18 and 1108 (relating to investigations by commission).

19 (h) Directory.--By May 1 of each odd-numbered year, the
20 department shall produce and distribute a directory of all
21 registered lobbyists, including photographs, registered campaign
22 consultants and registered lobbying firms. Copies of the
23 directory shall be made available to the public at a price not
24 to exceed the actual cost of production. All revenue received by
25 the department from the sales of the directory shall be
26 deposited into the fund.

27 * * *

28 (j) Inflation adjustment.--On a biennial basis [commencing
29 in January 2009], the department shall review the threshold
30 under section 13A06 (relating to exemption from registration and
31 expense reporting) for registration under section 13A04
32 (relating to registration) and the threshold for reporting under
33 section 13A05(d) (relating to expense reporting) and shall
34 increase these amounts to rates deemed reasonable for assuring
35 appropriate disclosure. On a biennial basis [commencing in
36 January 2009], the department shall review the filing fee
37 established under section 13A10 (relating to registration fees;
38 fund established; system; regulations) and may by regulation
39 adjust this amount if the department determines that a higher
40 fee is needed to cover the costs of carrying out the provisions
41 of this chapter. The department shall [publish], by June 1 of
42 every odd-numbered year, submit adjusted amounts to the
43 Legislative Reference Bureau for publication in the Pennsylvania
44 Bulletin [by June 1, 2009, and by June 1 every two years
45 thereafter as necessary].

46 (k) Notices.--Notices issued by the department or the
47 commission to a principal or lobbying firm, or to a campaign
48 consultant, in accordance with this chapter, shall be delivered
49 to the authorized representative, employee or agent.

50 Section 8. Section 13A09(a)(1.1), (c)(3), (d) and (g)(2) of
51 Title 65 are amended to read:

1 § 13A09. Penalties.

2 (a) Notice of alleged noncompliance.--

3 * * *

4 (1.1) In the case of a principal [or], lobbying firm or
5 campaign consultant, the notice shall be delivered to the
6 authorized representative, employee or agent.

7 * * *

8 (c) Negligent failure to register or report.--

9 * * *

10 (3) The commission shall notify the board of any
11 lobbyist [or], principal or campaign consultant who is an
12 attorney at law [against whom a civil penalty is imposed] and
13 who has been determined to be in noncompliance.

14 * * *

15 (d) Failure to comply after notice.--A person that fails to
16 comply with the requirements of this chapter, after notice of
17 noncompliance and after a hearing if one is requested, may be
18 prohibited from lobbying or from providing campaign consulting
19 services for economic consideration for up to five years. The
20 prohibition shall be imposed under subsection (e) (4).

21 * * *

22 (g) Affirmative defense.--Any of the following is an
23 affirmative defense to an action brought under Chapter 11
24 (relating to ethics standards and financial disclosure) or this
25 chapter:

26 * * *

27 (2) The respondent or defendant relied on notice under
28 section 13A05(b) (3) (iv) (relating to expense reporting).

29 * * *

30 Section 9. Repeals are as follows:

31 (1) The General Assembly declares that the repeal under
32 paragraph (2) is necessary to effectuate the addition of 65
33 Pa.C.S. § 13A05.1.

34 (2) Section 816 the act April 9, 1929 (P.L.177, No.175),
35 known as The Administrative Code of 1929, is repealed.

36 Amend Bill, page 4, line 4, by striking out "4" and inserting

37 10

38 Amend Bill, page 4, line 4, by striking out "60" and

39 inserting

40 180