AN ACT

Amending Titles 65 (Public Officers) and 74 (Transportation) of the Pennsylvania Consolidated Statutes, in ethics standards and financial disclosure, further providing for definitions, for restricted activities, for statement of financial interests and for penalties; in lobbying disclosure, further providing for definitions, for reporting and for penalties; and, in Turnpike Commission standards of conduct, further providing for code of conduct.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. The definitions of "aggregate" and "gift" in section 1102 of Title 65 of the Pennsylvania Consolidated Statutes are amended and the section is amended by adding definitions to read:

§ 1102. Definitions.

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

* * *

"Aggregate." The total of all gifts received from a single source as provided in section 1105(b)(6) (relating to statement
"Commercial loan made in the ordinary course of business." A loan from a bank or other financial institution on terms generally available to the public.

"Gift." As defined in section 13A03 (relating to definitions). Money, virtual currency or a thing of value received, other than income, for which a consideration of equal or greater value is not received. The term shall not include the following:

(1) A gift from a person other than a principal or lobbyist that is valued at $50 or less. Gifts under this paragraph shall be limited to $250 annually.

(2) A political contribution reported in accordance with law.

(3) A gift from a parent, sibling, spouse, child, stepchild, stepparent, stepsibling, grandparent, grandchild, parent-in-law, sibling-in-law or other close relative when the circumstances make it clear that the motivation for the action was a personal or family relationship, including an invitation to attend a personal or family social event.

(4) A devise, bequest, intestate estate distribution or principal distribution of a trust.

(5) A gift available to the public or offered to members of a group or class in which membership is not related to being a public official or public employee.

(6) An award or prize given to competitors in any contest or event open to the public, including a random drawing.
(7) An award, plaque and other ceremonial item valued at
$100 or less that is publicly presented or intended to be
publicly presented in recognition of public service of the
type customarily bestowed at similar ceremonies or that are
otherwise reasonable.

(8) An honorary degree bestowed by a public or private
college or university.

(9) A gift of nominal value, including, but not limited
to, a greeting card, pen, cap or t-shirt.

(10) Informational material.

(11) An item paid for by Federal, State or local
government.

(12) Complimentary attendance or food and beverage at a
bona fide charitable or political event.

(13) Food and beverage for consumption at any of the
following:

(i) A public event, including a public meeting.

(ii) An event directly related to the official or
employee's duties or responsibilities.

(iii) An event where the official or employee is a
speaker or a member of a panel.

(iv) A regularly scheduled event sponsored by a
constituent, Statewide organization or nonprofit
organization.

(14) Gifts exchanged between public officials and their
staffs on a voluntary basis.

(15) Gifts given on the basis of legitimate personal
friendship.

(16) Entertainment provided as part of an event at a
private residence for a nonofficial purpose.
"Lobbyist." Any individual, association, corporation, partnership, business trust or other entity that is registered as a lobbyist under Chapter 13A (relating to lobbying disclosure).

"Official action." An administrative action or legislative action, as those terms are defined in section 13A03 (relating to definitions), or an equivalent action taken by a political subdivision.

"Principal." Any individual, association, corporation, partnership, business trust or other entity that is registered as a principal under Chapter 13A.

"Virtual currency." A digital representation of value that:

(1) is used as a medium of exchange, unit of account or store of value; and

(2) is not legal tender, whether or not denominated in legal tender.

Section 2. Section 1103 of Title 65 is amended by adding a subsection to read:

§ 1103. Restricted activities.

(k) Gifts.--No public official or public employee shall accept or solicit a gift from any of the following:

(1) A lobbyist or principal.

(2) A person that is seeking official action from the public official or public employee.

Section 3. Section 1105(b)(5), (6) and (7) of Title 65 are amended by adding a subsection to read:

(k) Gifts.--No public official or public employee shall accept or solicit a gift from any of the following:

(1) A lobbyist or principal.

(2) A person that is seeking official action from the public official or public employee.
amended to read:

§ 1105. Statement of financial interests.

(b) Required information.--The statement shall include the following information for the prior calendar year with regard to the person required to file the statement:

* * *

[(5) The name and address of any direct or indirect source of income totaling in the aggregate $1,300 or more. However, this provision shall not be construed to require the divulgence of confidential information protected by statute or existing professional codes of ethics or common law privileges.

(6) The name and address of the source and the amount of any gift or gifts valued in the aggregate at $250 or more and the circumstances of each gift. This paragraph shall not apply to a gift or gifts received from a spouse, parent, parent by marriage, sibling, child, grandchild, other family member or friend when the circumstances make it clear that the motivation for the action was a personal or family relationship. However, for the purposes of this paragraph, the term "friend" shall not include a registered lobbyist or an employee of a registered lobbyist.

(7) The name and address of the source and the amount of any payment for or reimbursement of actual expenses for transportation and lodging or hospitality received in connection with public office or employment where such actual expenses for transportation and lodging or hospitality exceed $650 in an aggregate amount per year. This paragraph shall not apply to expenses reimbursed by a governmental body or to
expenses reimbursed by an organization or association of
public officials or employees of political subdivisions which
the public official or employee serves in an official
capacity.]

* * *

Section 4. Section 1109 of Title 65 is amended by adding a
subsection to read:

§ 1109. Penalties.

* * *

(a.1) Gifts.--The following shall apply:

(1) Any person who intentionally violates the provisions
of section 1103(k) involving an amount of $250 or more
commits a felony and shall, upon conviction, be sentenced to
pay a fine of not more than $10,000 plus costs or
imprisonment for not more than five years, or both.

(2) A fine and penalty imposed under this section shall
be paid into the General Fund.

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Section 5. The definitions of "gift," "hospitality" and
"lobbying" in section 13A03 of Title 65 are amended to read:

§ 13A03. Definitions.
The following words and phrases when used in this chapter
shall have the meanings given to them in this section unless the
context clearly indicates otherwise:

* * *

["Gift." Anything which is received without consideration of
equal or greater value. The term shall not include a political
contribution otherwise reportable as required by law or a
commercially reasonable loan made in the ordinary course of
business. The term shall not include hospitality, transportation]
or lodging.

"Hospitality." Includes all of the following:

(1) Meals.
(2) Beverages.
(3) Recreation and entertainment.

The term shall not include gifts, transportation or lodging.

* * *

"Lobbying." An effort to influence legislative action or administrative action in this Commonwealth. The term includes:

(1) [direct] Direct or indirect communication[;].
(2) [office] Office expenses[; and].

[(3) providing any gift, hospitality, transportation or lodging to a State official or employee for the purpose of advancing the interest of the lobbyist or principal.]

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Section 6. Sections 13A05(b)(2) and (3) and 13A09(g) of Title 65 are amended to read:

§ 13A05. Reporting.

* * *

(b) Content.--

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(2) Each expense report shall include the total costs of all lobbying for the period. The total shall include all office expenses, personnel expenses[, expenditures related to gifts, hospitality, transportation and lodging to State officials or employees,] and any other lobbying costs. The total amount reported under this paragraph shall be allocated in its entirety among the following categories:

[(i) The costs for gifts, hospitality, transportation and lodging given to or provided to State
(ii) The costs for direct communication.

(iii) The costs for indirect communication.

(iv) Expenses required to be reported under this subsection shall be allocated to one of the three categories listed under this section and shall not be included in more than one category.

* * *

[(3) The following apply:

(i) In addition to reporting the totals required under this subsection, the expense report must identify, by name, position and each occurrence, a State official or employee who receives from a principal or lobbyist anything of value which must be included in the statement under section 1105(b)(6) or (7) (relating to statement of financial interests) as implemented by section 1105(d).

(ii) For purposes of this chapter, the amount referred to in section 1105(b)(7) shall be considered an aggregate amount per year.

(iii) For purposes of this chapter, the amount referred to in section 1105(b)(7) shall not include the cost of a reception which the State official or employee attends in connection with public office or employment.

(iv) Written notice must be given to each State official or employee who is listed in an expense report under this paragraph at least seven days prior to the report's submission to the department. Notice under this subparagraph shall include the information which will enable the State official or employee to comply with section 1105(b)(6) and (7). For purposes of this chapter
and Chapter 11 (relating to ethics standards and financial disclosure), section 1105(b)(6) and (7) shall constitute mutually exclusive categories. For each category enumerated in paragraph (2)(i), each notice shall include both the amount incurred during the quarter and the cumulative amount incurred from January 1 through the end of the applicable quarter.

(v) This paragraph shall not apply to anything of value received from immediate family when the circumstances make it clear that motivation for the action was the personal or family relationship.

§ 13A09. Penalties.

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

(1) The respondent or defendant relied on advice and opinions of the commission.

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

(3) The respondent or defendant did not receive notice under section 13A05(b)(3)(iv).] The respondent or defendant relying on advice and opinions of the commission is an affirmative defense to an action brought under Chapter 11 (relating to ethics standards and financial disclosure) or this chapter.

* * *

Section 7. Section 8204(a)(1) of Title 74 is amended to
§ 8204. Code of conduct.

(a) Contents.--The commission shall adopt a comprehensive code of conduct within 90 days of the effective date of this section. The code of conduct shall supplement all other requirements under this chapter and shall provide guidelines applicable to members and executive-level employees and the immediate families of the members and executive-level employees to enable them to avoid any perceived or actual conflict of interest and to promote public confidence in the integrity and impartiality of the commission. At a minimum, the code of conduct adopted under this section shall provide that:

[(1) No member or executive-level employee may accept any discount, gift, gratuity, compensation, travel, lodging or other thing of value, in excess of the limits under 65 Pa.C.S. § 1105(b)(6) and (7) (relating to statement of financial interests) directly or indirectly, from any facility or business with which the commission has a contractual relationship.]

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Section 8. This act shall take effect in 60 days.