THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 21

Session of 2005

INTRODUCED BY TOMLINSON, CORMAN, LAVALLE, GREENLEAF, WONDERLING, O'PAKE, ERICKSON, MADIGAN, ROBBINS AND RHOADES, JANUARY 12, 2005

REFERRED TO STATE GOVERNMENT, JANUARY 12, 2005

AN ACT

- 1 Amending Title 65 (Public Officers) of the Pennsylvania
- 2 Consolidated Statutes, further providing for the definitions
- of "executive-level State employee," "financial interest" and
- 4 "public official"; defining "party officer"; and further
- 5 providing for restricted activities.
- 6 The General Assembly of the Commonwealth of Pennsylvania
- 7 hereby enacts as follows:
- 8 Section 1. The definitions of "executive-level State
- 9 employee, " "financial interest" and "public official" in section
- 10 1102 of Title 65 of the Pennsylvania Consolidated Statutes are
- 11 amended and the section is amended by adding a definition to
- 12 read:
- 13 § 1102. Definitions.
- 14 The following words and phrases when used in this chapter
- 15 shall have, unless the context clearly indicates otherwise, the
- 16 meanings given to them in this section:
- 17 * * *
- 18 "Executive-level State employee." The Governor, Lieutenant
- 19 Governor, cabinet members, deputy secretaries, the Governor's

- 1 <u>executive</u> office staff, any State employee with discretionary
- 2 powers which may affect the outcome of a State agency's decision
- 3 in relation to a private corporation or business or any employee
- 4 who by virtue of his job function could influence the outcome of
- 5 such a decision.
- 6 "Financial interest." Any financial interest in a legal
- 7 entity engaged in business for profit which comprises more than
- 8 5% of the equity of the business or more than 5% of the assets
- 9 of the economic interest in indebtedness. <u>In the case of a</u>
- 10 licensed racing entity, licensed gaming entity, manufacturer
- 11 <u>licensee or supplier licensee as defined in 4 Pa.C.S. Pt. II</u>
- 12 (relating to gaming), or a holding company, affiliate,
- 13 <u>intermediary or subsidiary business of any of the foregoing, the</u>
- 14 term "financial interest" means owning or holding any equity
- 15 <u>interest of the business or any of the assets of the economic</u>
- 16 interest in indebtedness in the entity or licensee, but does not
- 17 <u>include mutual funds as defined in 20 Pa.C.S. § 7201 (relating</u>
- 18 to definitions), any retirement fund administered by a public
- 19 agency for the exclusive benefit of a Federal, State or local
- 20 public employee or stock held in blind trust over which the
- 21 <u>executive-level State employee</u>, <u>public official</u>, <u>party officer</u>
- 22 or immediate family member may not exercise managerial control
- 23 or receive income during tenure of office or for two years
- 24 thereafter.
- 25 * * *
- 26 <u>"Party officer." A member of a national committee; a</u>
- 27 chairman, vice chairman, secretary, treasurer or counsel of a
- 28 State committee or member of the executive committee of a State
- 29 <u>committee; a county chairman, vice chairman, counsel, secretary</u>
- 30 or treasurer of a county committee; or a city chairman, vice

- 1 chairman, counsel, secretary or treasurer of a city committee.
- 2 * * *
- 3 "Public official." Any person elected by the public or
- 4 elected or appointed by a governmental body or an appointed
- 5 official in the executive, legislative or judicial branch of
- 6 this Commonwealth or any political subdivision thereof, provided
- 7 that it shall not include a commissioner of an authority or
- 8 <u>joint State commission or</u> members of advisory boards that have
- 9 no authority to expend public funds other than reimbursement for
- 10 personal expense or to otherwise exercise the power of the State
- 11 or any political subdivision thereof.
- 12 * * *
- 13 Section 2. Section 1103 of Title 65 is amended by adding a
- 14 subsection to read:
- 15 § 1103. Restricted activities.
- 16 * * *
- 17 <u>(k) Gaming-related financial interest.--Except as may be</u>
- 18 provided by rule or order of the Pennsylvania Supreme Court, no
- 19 executive-level State employee, public official, party officer
- 20 or immediate family member thereof shall have, at or following
- 21 the effective date of this subsection, a financial interest in
- 22 or be employed, directly or indirectly, by a licensed racing
- 23 entity or licensed gaming entity, manufacturer licensee,
- 24 <u>supplier licensee</u>, <u>applicant</u>, <u>or a holding company</u>, <u>affiliate</u>,
- 25 <u>subsidiary or intermediary of any of the foregoing, as those</u>
- 26 terms are defined in 4 Pa.C.S. Pt. II (relating to gaming), or
- 27 solicit or accept, directly or indirectly, any complimentary
- 28 <u>service or discount from any licensed racing entity or licensed</u>
- 29 gaming entity which he or she knows or has reason to know is
- 30 other than a service or discount that is offered to members of

- 1 the general public in like circumstances. This subsection shall
- 2 apply while the executive-level State employee, public official
- 3 or party officer maintains such status and for one year
- 4 <u>thereafter</u>.
- 5 Section 3. This act shall take effect in 60 days.