

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2519 Session of 2018

INTRODUCED BY WALSH, METCALFE, DEAN, STEPHENS, BARRAR, THOMAS, DUNBAR, RYAN, SACCONI, CALTAGIRONE, BERNSTINE AND PHILLIPS-HILL, JUNE 20, 2018

AS REPORTED FROM COMMITTEE ON STATE GOVERNMENT, HOUSE OF REPRESENTATIVES, AS AMENDED, SEPTEMBER 25, 2018

AN ACT

1 Amending Title 65 (Public Officers) of the Pennsylvania
2 Consolidated Statutes, in ethics standards and financial
3 disclosure, further providing for definitions, AND for <--
4 restricted activities, PROVIDING FOR GIFT BAN AND FURTHER <--
5 PROVIDING for statement of financial interests and for
6 penalties.

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

9 Section 1. Section 1102 of Title 65 of the Pennsylvania <--
10 Consolidated Statutes is amended by adding a definition to read:

11 SECTION 1. THE DEFINITION OF "PERSON" IN SECTION 1102 OF <--
12 TITLE 65 OF THE PENNSYLVANIA CONSOLIDATED STATUTES IS AMENDED
13 AND THE SECTION IS AMENDED BY ADDING DEFINITIONS TO READ:

14 § 1102. Definitions.

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

18 * * *

19 "Cash." United States currency and coin and foreign currency

1 and coin.

2 * * *

3 "LOBBYIST." AS DEFINED IN SECTION 13A03 (RELATING TO
4 DEFINITIONS).

<--

5 * * *

6 "PERSON." A BUSINESS, GOVERNMENTAL BODY, INDIVIDUAL,
7 LOBBYIST, EMPLOYEE OF A LOBBYIST, CORPORATION, UNION,
8 ASSOCIATION, FIRM, PARTNERSHIP, COMMITTEE, CLUB OR OTHER
9 ORGANIZATION OR GROUP OF PERSONS.

10 * * *

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

13 § 1103. Restricted activities.

14 * * *

15 (c.1) Accepting a gift of cash.--

16 (1) No public official, public employee or nominee or
17 candidate for public office shall solicit or accept any gift
18 of cash.

19 (2) This subsection shall not apply to any gift or gifts
20 received from a spouse, parent, parent by marriage, sibling,
21 child, grandchild, other family member or friend when the
22 circumstances make it clear that the motivation for the
23 action was a personal or family relationship.

24 (3) For the purposes of this subsection, the term
25 "friend" shall not include a registered lobbyist or an
26 employee of a registered lobbyist.

27 * * *

28 SECTION 3. TITLE 65 IS AMENDED BY ADDING A SECTION TO READ: <--

29 § 1103.1. GIFT BAN.

30 (A) GENERAL RULE.--EXCEPT AS OTHERWISE PROVIDED FOR IN

1 SUBSECTION (B), NO PUBLIC OFFICIAL OR PUBLIC EMPLOYEE MAY
2 RECEIVE, ACCEPT, TAKE, SEEK OR SOLICIT A GIFT HAVING EITHER A
3 FAIR MARKET VALUE OR AGGREGATE ACTUAL COST GREATER THAN \$50 FROM
4 ANY PERSON IN A CALENDAR YEAR.

5 (B) EXCEPTIONS.--THE PROHIBITION LISTED IN SUBSECTION (A)
6 SHALL NOT APPLY TO THE FOLLOWING:

7 (1) A GIFT OR GIFT OF CASH FROM A PARENT, SIBLING,
8 SPOUSE, CHILD, STEPCHILD, STEPPARENT, STEPSIBLING,
9 GRANDPARENT, GRANDCHILD, PARENT-IN-LAW, SIBLING-IN-LAW OR
10 OTHER FAMILY MEMBER OR FRIEND WHEN THE CIRCUMSTANCES MAKE IT
11 CLEAR THAT THE MOTIVATION FOR THE GIFT WAS A PERSONAL OR
12 FAMILY RELATIONSHIP. FOR THE PURPOSE OF THIS PARAGRAPH, THE
13 TERM "FRIEND" DOES NOT INCLUDE A REGISTERED LOBBYIST OR AN
14 EMPLOYEE OF A REGISTERED LOBBYIST.

15 (2) A "CONTRIBUTION," AS DEFINED IN SECTION 1621 OF THE
16 ACT OF JUNE 3, 1937 (P.L.1333, NO.320), KNOWN AS THE
17 PENNSYLVANIA ELECTION CODE, LAWFULLY MADE UNDER THAT ACT.

18 (3) INFORMATIONAL MATERIAL THAT IS SENT TO THE OFFICE OF
19 THE PUBLIC OFFICIAL OR PUBLIC EMPLOYEE IN THE FORM OF A BOOK,
20 ARTICLE, PERIODICAL, OTHER WRITTEN MATERIAL, AUDIOTAPE,
21 VIDEOTAPE OR OTHER FORMS OF COMMUNICATION FOR
22 NONENTERTAINMENT PURPOSES.

23 (4) AN AWARD OR PRIZE THAT IS GIVEN TO COMPETITORS IN A
24 CONTEST OR EVENT OPEN TO THE PUBLIC, INCLUDING RANDOM
25 DRAWINGS.

26 (5) AN HONORARY DEGREE OR AWARD.

27 (6) TRAINING PROVIDED TO A PUBLIC OFFICIAL OR PUBLIC
28 EMPLOYEE, IF THE TRAINING IS IN THE INTEREST OF THE
29 GOVERNMENTAL ENTITY.

30 (7) GIFTS EXCHANGED BETWEEN PUBLIC OFFICIALS OR PUBLIC

1 EMPLOYEES AND THEIR STAFFS ON A VOLUNTARY BASIS.

2 (8) EDUCATIONAL MATERIAL PROVIDED AT A MEETING,
3 INCLUDING A MEETING WITH GOVERNMENTAL OFFICIALS, EITHER
4 FOREIGN OR DOMESTIC, INTENDED TO EDUCATE A PUBLIC OFFICIAL OR
5 PUBLIC EMPLOYEE ON MATTERS OF PUBLIC POLICY, TO WHICH THE
6 PUBLIC OFFICIAL OR PUBLIC EMPLOYEE MAY BE INVITED TO
7 PARTICIPATE ALONG WITH OTHER FEDERAL, STATE OR LOCAL PUBLIC
8 OFFICIALS AND COMMUNITY LEADERS.

9 (9) ANYTHING PAID FOR BY THE FEDERAL, STATE OR OTHER
10 GOVERNMENT OR GOVERNMENTAL ENTITY UNDER A GOVERNMENT
11 CONTRACT.

12 (10) AN HONORARIUM AS DEFINED UNDER SECTION 1103(D)
13 (RELATING TO RESTRICTED ACTIVITIES), INCLUDING AN AWARD,
14 PLAQUE, TROPHY OR OTHER ITEM VALUED AT \$100 OR LESS THAT IS
15 SUBSTANTIALLY COMMEMORATIVE IN NATURE.

16 (11) TOKENS OF DE MINIMIS ECONOMIC IMPACT SUCH AS A
17 GREETING CARD, PEN, CAP OR T-SHIRT.

18 (12) REIMBURSEMENT OF EXPENSES TO A PUBLIC OFFICIAL OR
19 PUBLIC EMPLOYEE BY A GOVERNMENTAL BODY OR BY AN ORGANIZATION
20 OR ASSOCIATION OF PUBLIC OFFICIALS OR EMPLOYEES OF PUBLIC
21 POLITICAL SUBDIVISIONS IN WHICH THE PUBLIC OFFICIAL OR PUBLIC
22 EMPLOYEE SERVES IN AN OFFICIAL CAPACITY.

23 Section 3 4. Section 1105(b) and (c) of Title 65 are amended <--
24 and the section is amended by adding a subsection to read:

25 § 1105. Statement of financial interests.

26 * * *

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

30 (1) Name, address and public position.

1 (2) Occupation or profession.

2 (3) Any direct or indirect interest in any real estate
3 which was sold or leased to the Commonwealth, any of its
4 agencies or political subdivisions, or purchased or leased
5 from the Commonwealth, any of its agencies or political
6 subdivisions, or which was the subject of any condemnation
7 proceedings by the Commonwealth, any of its agencies or
8 political subdivisions.

9 (4) The name and address of each creditor to whom is
10 owed in excess of \$6,500 and the interest rate thereon.
11 However, loans or credit extended between members of the
12 immediate family and mortgages securing real property which
13 is the principal or secondary residence of the person filing
14 shall not be included.

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

21 (6) The name and address of the source and the amount of
22 any gift [or gifts valued in the aggregate at \$250 or] of
23 more than \$50 and the circumstances of each gift. [This <--
24 paragraph shall not apply to a gift or gifts received from a
25 spouse, parent, parent by marriage, sibling, child,
26 grandchild, other family member or friend when the
27 circumstances make it clear that the motivation for the
28 action was a personal or family relationship. However, for
29 the purposes of this paragraph, the term "friend" shall not
30 include a registered lobbyist or an employee of a registered

1 lobbyist.] <--

2 (7) The name and address of the source and the amount of
3 any payment for or reimbursement of ~~an~~ actual ~~expenses~~ <--
4 ~~expense~~ for transportation [and], lodging or hospitality <--
5 received in connection with public office or employment where
6 such actual ~~expenses~~ ~~expense~~ for transportation [and], <--
7 lodging or hospitality ~~exceed~~ [\$650 in an aggregate amount <--
8 per year] ~~exceeds~~ \$100. This paragraph shall not apply to <--
9 expenses reimbursed by a governmental body or to expenses
10 reimbursed by an organization or association of public
11 officials or employees of political subdivisions which the
12 public official or employee serves in an official capacity.

13 (7.1) A HOSPITALITY, TRANSPORTATION OR LODGING RECEIVED <--
14 FROM A PARENT, SIBLING, SPOUSE, CHILD, STEPCHILD, STEPPARENT,
15 STEPSIBLING, GRANDPARENT, GRANDCHILD, PARENT-IN-LAW, SIBLING-
16 IN-LAW OR OTHER FAMILY MEMBER OR FRIEND WHEN THE
17 CIRCUMSTANCES MAKE IT CLEAR THAT THE MOTIVATION FOR THE GIFT
18 WAS A PERSONAL OR FAMILY RELATIONSHIP. FOR THE PURPOSE OF
19 THIS SUBSECTION, THE TERM "FRIEND" DOES NOT INCLUDE A
20 REGISTERED LOBBYIST OR AN EMPLOYEE OF A REGISTERED LOBBYIST.

21 (7.2) THE NAME AND ADDRESS OF THE SOURCE OF AN
22 HONORARIUM VALUED AT MORE THAN \$50 AND THE CIRCUMSTANCES
23 SURROUNDING THE RECEIPT OF THE HONORARIUM.

24 (8) Any office, directorship or employment of any nature
25 whatsoever in any business entity.

26 (9) Any financial interest in any legal entity engaged
27 in business for profit.

28 (10) The identity of any financial interest in a
29 business with which the reporting person is or has been
30 associated in the preceding calendar year which has been

1 transferred to a member of the reporting person's immediate
2 family.

3 (b.1) Voluntary information.--A person required to file a
4 statement of financial interests may voluntarily report a gift,
5 payment or reimbursement that is below the monetary threshold
6 for reporting under subsection (b) (6) or (7).

7 (c) Reporting amounts.--Except [where an amount is] as
8 required to be reported pursuant to subsection (b) (6) and (7),
9 the statement of financial interests need not include specific
10 amounts for the items required to be listed.

11 * * *

12 Section ~~4~~ 5. Section 1109(a) of Title 65 is amended to read: <--
13 § 1109. Penalties.

14 (a) Restricted activities violation.--Any person who
15 violates the provisions of section 1103(a), (b) [and (c)], (c)
16 and (c.1) (relating to restricted activities) commits a felony
17 and shall, upon conviction, be sentenced to pay a fine of not
18 more than \$10,000 or to imprisonment for not more than five
19 years, or both.

20 * * *

21 Section ~~5~~ 6. This act shall take effect as follows: <--

22 (1) The following provisions shall take effect
23 immediately:

24 (i) The addition of the definition of "cash" in 65
25 Pa.C.S. § 1102 and the amendment or addition of 65
26 Pa.C.S. §§ 1103(c.1) and 1109(a).

27 (ii) This section.

28 (2) The remainder of this act shall take effect in 60
29 days.