

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL**No. 801** Session of
2021

INTRODUCED BY MENSCH, CORMAN, BAKER, PHILLIPS-HILL, TOMLINSON,
AUMENT, COSTA, DiSANTO, FONTANA, LAUGHLIN, MARTIN, MASTRIANO,
SCHWANK, STEFANO, L. WILLIAMS, REGAN, YUDICHAK AND J. WARD,
OCTOBER 13, 2021

REFERRED TO STATE GOVERNMENT, OCTOBER 13, 2021

AN ACT

1 Amending Titles 18 (Crimes and Offenses) and 65 (Public
2 Officers) of the Pennsylvania Consolidated Statutes, in other
3 offenses, further providing for the offense of contingent
4 compensation; in lobbying disclosure, further providing for
5 definitions, for registration and for reporting, providing
6 for equity reporting and for financial assistance reporting
7 and further providing for exemption from registration and
8 reporting, for prohibited activities, for administration and
9 for penalties; making a related repeal; and making editorial
10 changes.

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

13 Section 1. Section 7515(a) and (c) of Title 18 of the
14 Pennsylvania Consolidated Statutes are amended to read:

15 § 7515. Contingent compensation.

16 (a) Offense defined.--

17 (1) No person may compensate or incur an obligation to
18 compensate any person to engage in lobbying for compensation
19 contingent in whole or in part upon the passage, defeat,
20 approval or veto of legislation or the issuance of an

1 administrative action.

2 (2) No person may engage or agree to engage in lobbying
3 for compensation contingent in whole or in part upon the
4 passage, defeat, approval or veto of legislation or the
5 issuance of an administrative action.

6 * * *

7 (c) [Definition] Definitions.--As used in this section, the
8 [term "lobbying" means an] following words and phrases shall
9 have the meanings given to them in this subsection unless the
10 context clearly indicates otherwise:

11 "Administrative action." The administration of a grant, a
12 loan or an agreement involving the disbursement of public funds.

13 "Lobbying." An effort to influence State legislative action
14 for economic consideration.

15 Section 2. Section 13A03 of Title 65 is amended by adding a
16 definition to read:

17 § 13A03. Definitions.

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

21 * * *

22 "Third-party affiliate." Any business, organization or
23 person that is affiliated with a lobbyist, lobbying firm or
24 principal.

25 * * *

26 Section 3. Sections 13A04(e)(4) and 13A05 heading of Title
27 65 are amended to read:

28 § 13A04. Registration.

29 * * *

30 (e) Termination.--

1 * * *

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

6 § 13A05. [Reporting] Expense reporting.

7 Section 4. Title 65 is amended by adding sections to read:

8 § 13A05.1. Equity reporting.

9 Each lobbying firm and lobbyist required to register under
10 section 13A04(a) (relating to registration) shall, subject to
11 the penalties under 18 Pa.C.S. § 4904 (relating to unsworn
12 falsification to authorities), electronically file a quarterly
13 equity report using the computerized filing system developed by
14 the department. Equity reports shall disclose financial interest
15 in any legal entity in business-for-profit that a lobbying firm
16 or lobbyist holds in the entity for which they are lobbying and
17 shall be consistent with the purpose of this chapter. Equity
18 reports shall be filed no later than 30 days after the last day
19 of the quarter and may include any additional information
20 required by the department. As used in this section, the term
21 "equity report" means a report with a list of each name and
22 address and financial interest held in any legal entity in
23 business-for-profit of which a lobbying firm or lobbyist owns
24 more than 5% of the equity or more than 5% of the assets of
25 economic interest in indebtedness.

26 § 13A05.2. Financial assistance reporting.

27 Each lobbyist shall, subject to the penalties under 18
28 Pa.C.S. § 4904 (relating to unsworn falsification to
29 authorities), file a quarterly financial assistance report with
30 the department electronically using the computerized filing

1 system developed by the department that is consistent with the
2 purpose of this chapter of the collection of economic
3 consideration through a third-party affiliate, lobbying firm or
4 principal for the successful award of a State or local grant
5 program which uses Commonwealth money. The quarterly financial
6 assistance report shall include the lobbyist's registration
7 number and the amount of economic consideration collected by the
8 lobbyist for the successful award of a State or local grant
9 program which uses Commonwealth money.

10 Section 5. Section 13A06 introductory paragraph of Title 65
11 is amended to read:

12 § 13A06. Exemption from registration and reporting.

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

16 * * *

17 Section 6. Section 13A07(d) (5) of Title 65 is amended and
18 the section is amended by adding a subsection to read:

19 § 13A07. Prohibited activities.

20 * * *

21 (d) Conflicts of interest.--

22 * * *

23 (5) A principal or lobbyist required to report under
24 section 13A05 (relating to expense reporting) shall include
25 in the report a statement affirming that to the best of the
26 principal's or lobbyist's knowledge the principal or lobbyist
27 has complied with this section.

28 * * *

29 (g) Third-party inducement.--A lobbyist, lobbying firm or
30 principal may not collect economic consideration for lobbying

1 through a third-party affiliate for a State or local grant
2 program that uses Commonwealth money.

3 Section 7. Sections 13A08(c) and (j) and 13A09(g)(2) of
4 Title 65 are amended to read:

5 § 13A08. Administration.

6 * * *

7 (c) Public inspection and copying.--The department shall
8 make completed registration statements, expense reports, equity
9 reports, financial assistance reports and notices of
10 termination, which have been filed with the department,
11 available for public inspection and provide copies of these
12 documents at a price not in excess of the actual cost of
13 copying. The department shall make all registrations and reports
14 available on a publicly accessible Internet website. Documents
15 maintained and reproducible in an electronic format shall be
16 provided in that format upon request.

17 * * *

18 (j) Inflation adjustment.--On a biennial basis commencing in
19 January 2009, the department shall review the threshold under
20 section 13A06 (relating to exemption from registration and
21 reporting) for registration under section 13A04 (relating to
22 registration) and the threshold for reporting under section
23 13A05(d) (relating to expense reporting) and shall increase
24 these amounts to rates deemed reasonable for assuring
25 appropriate disclosure. On a biennial basis commencing in
26 January 2009, the department shall review the filing fee
27 established under section 13A10 (relating to registration fees;
28 fund established; system; regulations) and may by regulation
29 adjust this amount if the department determines that a higher
30 fee is needed to cover the costs of carrying out the provisions

1 of this chapter. The department shall publish adjusted amounts
2 in the Pennsylvania Bulletin by June 1, 2009, and by June 1
3 every two years thereafter as necessary.

4 * * *

5 § 13A09. Penalties.

6 * * *

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

11 * * *

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

14 * * *

15 Section 8. Repeals are as follows:

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

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

22 Section 9. The addition of 65 Pa.C.S. § 13A05.1 is a
23 continuation of section 816 of the act of April 9, 1929
24 (P.L.177, No.175), known as The Administrative Code of 1929. The
25 following apply:

26 (1) All activities initiated under section 816 of The
27 Administrative Code of 1929 shall continue and remain in full
28 force and effect and may be completed under 65 Pa.C.S. §
29 13A05.1. Orders, regulations, rules and decisions which were
30 made under section 816 of The Administrative Code of 1929 and

1 which are in effect on the effective date of this section,
2 shall remain in full force and effect until revoked, vacated
3 or modified under 65 Pa.C.S. § 13A05.1. Contracts,
4 obligations and collective bargaining agreements entered into
5 under section 816 of The Administrative Code of 1929 are not
6 affected nor impaired by the repeal of section 816 of The
7 Administrative Code of 1929.

8 (2) Any difference in language between 65 Pa.C.S. §
9 13A05.1 and section 816 of The Administrative Code of 1929 is
10 intended only to conform to the style of the Pennsylvania
11 Consolidated Statutes and is not intended to change or affect
12 the legislative intent, judicial construction or
13 administration and implementation of section 816 of The
14 Administrative Code of 1929.

15 Section 10. This act shall take effect in 180 days.