

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

SENATE BILL 1433

By: Adelson

AS INTRODUCED

An Act relating to ethics; amending Rule 257:23-1-2 of the Rules of the Ethics Commission (74 O.S. 2001, Ch. 62, App.), which relates to reporting of things of value by lobbyists and lobbyist principals; requiring additional reporting by entities engaged in manufacture of pharmaceuticals or other medicines; specifying dates and periods covered by such reports; providing for form and contents thereof; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY Rule 257:23-1-2 of the Rules of the Ethics Commission (74 O.S. 2001, Ch. 62, App.), is amended to read as follows:

Section 23-1-2. (a) Required reports. Every lobbyist shall file reports required by this section with the Ethics Commission concerning the activities specified in this section. The reports shall be filed whether or not the person has taken any action which is required to be reported pursuant to the provisions of this section. The reports shall be filed between the first and twentieth day of January and the first and twentieth day of July of each calendar year which shall cover the activities during the period following the last report.

(b) Disclosure of things of value exceeding \$50. The report shall be signed by the lobbyist, who shall attest to the report's accuracy and veracity, and the signature shall be notarized. The reports shall include the information specified in Subsection (d) of this section for things of value given to a state officer or state employee or the immediate family member of a state officer or state

employee by the lobbyist or any lobbyist principal by whom the lobbyist is employed or retained, the costs of which exceed fifty dollars (\$50) in the aggregate during a six-month period beginning January 1 and ending June 30 or beginning July 1 and ending December 31.

(c) \$300 annual limit on things of value and exceptions.

Lobbyists or lobbyist principals shall not give things of value which, in the aggregate, are valued at more than \$300 annually to any state officer or state employee or the immediate family member of a state officer or state employee, provided that the following shall not be subject to this subsection:

(1) things of value given by a lobbyist or lobbyist principal as a result of or arising out of employment of, or the lobbyist or lobbyist principal doing business with a state officer or state employee or the recipient; and

(2) things of value given by any director, stockholder, partner, agent, affiliate, member, employee or officer of a lobbyist principal as a result of a personal or casual relationship with the recipient.

(d) Contents of reports. The information to be reported pursuant to the provisions of Subsection (b) of this section shall be as follows:

(1) The name and position of the state officer or state employee to whom the thing of value was given;

(2) The date the thing of value was given;

(3) The nature of the thing of value given;

(4) The amount of the expenditure made by the lobbyist or lobbyist principal for the thing of value; and

(5) The name of the lobbyist principal or lobbyist principals on whose behalf the thing of value was given, if any.

(e) Prohibition against dividing costs among lobbyist principals or other lobbyists. For purposes of reporting things of

value as required by this section, a lobbyist giving a thing of value on behalf of more than one lobbyist principal shall not divide the cost of the thing of value by the number of participating lobbyist principals. Nor may a lobbyist divide the cost of a thing of value with other lobbyists for any single expenditure.

(f) Presence of lobbyist-exception for nominal things of value. A lobbyist who gives a thing of value to a state officer or state employee must be present when the thing of value is accepted by the recipient unless the thing of value is of no more than ten dollars (\$10) in value.

(g) Reporting of things of value given on behalf of lobbyist or lobbyist principal. A lobbyist shall also report things of value when given by other persons on behalf of the lobbyist or the lobbyist principal if they were made with the knowledge of the lobbyist. When other persons, including lobbyist principals, give things of value that the lobbyist is required to report, the other persons shall provide a full, verified account of such things of value to the lobbyist at least seven (7) days before the reports of the lobbyists are due to be filed. When exact values are not known and not ascertainable, a good faith estimate of the fair market value shall be reported.

(h) Exception for campaign contributions. Any information required to be reported pursuant to the provisions of Chapter 10 of this title is not required to be reported pursuant to the provisions of Sections 2 and 3 of this chapter.

(i) Form for lobbyist reporting. The form or computer diskette with form software for reports of lobbyists shall be prescribed by the Ethics Commission.

(j) Record-keeping requirements. Each lobbyist shall obtain and preserve all accounts, bills, receipts, books, papers, and documents necessary to substantiate the activity reports required to

be made pursuant to this section for four (4) years from the date of filing of the reports containing the items.

(k) Exceptions to reporting. Nothing in this section shall prohibit the giving or require the disclosure of the giving of anything of value by:

(1) a charitable organization or an organization described in Section 501 (c) of Title 26 of the United States Code, 26 U.S.C., Section 501 (c), as it currently exists or as it may be amended; or

(2) a tax-exempt professional organization established by state statute or rules passed by the Oklahoma Supreme Court,

to a state officer or state employee, who is an officer or director of the organization, when receipt of anything of value results from the state officer or state employee attending a function, meeting or seminar on behalf of, or as a representative of, the organization.

(1) Reporting by pharmaceutical manufacturers. In addition to other reports required by this section, every entity primarily engaged in the manufacture of pharmaceuticals or other medicines, as defined or classified in Industry Group No. 3254 of the North American Industry Classification System Manual, latest version, which is a lobbyist principal, shall file reports detailing the amount of lobbying expenditures in this state. The reports shall be filed between the first and twentieth day of January of 2007 and each year thereafter, and the first and twentieth day of July of 2006 and each year thereafter, and shall cover the six-month period immediately prior to the first date the report may be filed. The form for the reports shall be prescribed by the Ethics Commission. The reports shall include all expenditures by the entity during the six-month period for lobbying, for compensation of lobbyists, and for things of value given to a state officer or state employee or the immediate family member of a state officer or state employee by

the entity or by any lobbyist employed or retained by the entity, regardless of value. The following information shall be reported:

(1) The date, nature and amount of each expenditure;

(2) The name of each lobbyist employed or retained, and the amount of compensation paid to each such lobbyist. If a lobbyist is employed or retained to perform other duties in addition to lobbying, the amount of compensation paid shall for such other duties shall be reported separately from the amount of compensation paid for lobbying; and

(3) With respect to any things of value given to a state officer or state employee or the immediate family member of a state officer or state employee, the information required pursuant to the provisions of subsection (d) of this section.

SECTION 2. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.