

Senate Bill 3

By: Senators Meyer von Bremen of the 12th, Brown of the 26th, Jackson of the 50th, Butler of the 55th and Starr of the 44th

A BILL TO BE ENTITLED
AN ACT

1 To be known as the "Financial Disclosure Reform Act of 2003"; to provide a short title; to
2 amend Chapter 5 of Title 21 of the Official Code of Georgia Annotated, relating to ethics in
3 government, so as to provide for additional duties of the State Ethics Commission; to provide
4 for the timely issuance of advisory opinions by the State Ethics Commission; to change the
5 provisions relating to the filing of financial disclosure statements, the persons required to file
6 financial disclosure statements, and the contents thereof; to require the filing of such
7 statements by electronic means; to provide for lobbyist registration and reporting for persons
8 engaged in attempting to influence state purchasing; to define terms; to change the provisions
9 relating to lobbyist disclosure reports and the contents thereof; to provide for electronic filing
10 of lobbyist disclosure reports; to amend Code Section 45-10-26 of the Official Code of
11 Georgia Annotated, relating to yearly disclosure statements of public officials and employees
12 concerning business transactions with the state, so as to provide for disclosure of transactions
13 with political subdivisions; to provide for a definition; to change the date for the filing of
14 such disclosure statements; to provide an effective date and for applicability; to repeal
15 conflicting laws; and for other purposes.

16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

17

18

SECTION 1.

19 This Act shall be known and may be cited as the "Financial Disclosure Reform Act of 2003."

20

SECTION 2.

21 Chapter 5 of Title 21 of the Official Code of Georgia Annotated, relating to ethics in
22 government, is amended by striking paragraph (13) of subsection (b) of Code Section 21-5-6,
23 relating to the powers and duties of the State Ethics Commission, and inserting in its place
24 the following:

1 contain the county and state and general location therein where the property is located
2 description of the property;

3 (6) The filer's occupation, employer, and the principal activity and address of such
4 employer;

5 (7) If he or she has actual knowledge of such ownership interest or knowledge of facts
6 which would put a reasonable and prudent person on notice of such ownership interest,
7 the filer shall name any business or subsidiary thereof in Georgia in which the filer's
8 spouse or children, siblings, and parents, jointly or severally, own a direct ownership
9 interest which interest:

10 (A) Is more than 5 percent of the total interests in such business; or

11 (B) Has a net fair market value of more than \$20,000.00

12 or in which the filer's spouse or any child, sibling, or parent serves as an officer, director,
13 equitable partner, trustee, or consultant;

14 (8) If the filer or his or her spouse has engaged in a business in a fiduciary position
15 during the last reporting year which provides legal, investment, accounting, medical or
16 health related, real estate, banking, insurance, educational, farming, engineering,
17 architectural, construction, or other professional services or consultations, then the filing
18 party shall report each category from which the gross income received from all combined
19 clients in such category exceeds \$10,000.00. Such categories shall be established by rule
20 of the commission and may include a stock investment portfolio, electric utilities, gas
21 utilities, telephone utilities, water utilities, cable television companies, intrastate
22 transportation companies, pipeline companies, oil or gas exploration companies or both,
23 oil and gas retail companies, banks, savings and loan associations, loan or finance
24 companies or both, manufacturing firms, mining companies, life insurance companies,
25 casualty insurance companies, other insurance companies, retail companies, beer, wine,
26 or liquor companies or distributors or any combination thereof, trade associations,
27 professional associations, governmental associations, associations of public employees
28 or public officials, and counties;

29 ~~(5)~~(9) All annual payments in excess of \$20,000.00 received by the public officer or any
30 business entity identified in ~~paragraph (3)~~ paragraph (4) of this subsection from the state,
31 any agency, department, commission, or authority created by the state, and authorized
32 and exempted from disclosure under Code Section 45-10-25, and the agency, department,
33 commission, or authority making the payments, and the general nature of the
34 consideration rendered for the source of the payments; and

35 ~~(6)~~(10) No form prescribed by the commission shall require more information or specify
36 more than provided in the several paragraphs of this Code section with respect to what
37 is required to be disclosed."

SECTION 4.

Said chapter is further amended by adding to Code Section 21-5-50, relating to filing of financial disclosure statements by public officers and candidates for public office, a new subsection (d) to read as follows:

"(d) Beginning January 1, 2005, all state-wide elected officials and members of the General Assembly required to file financial disclosure statements shall use electronic means to file their financial disclosure statements. Prior to such date electronic filing of financial disclosure statements by such persons is permitted and encouraged but not required."

SECTION 5.

Said chapter is further amended by striking paragraphs (6) and (7) of Code Section 21-5-70, relating to definitions applicable to said article, and inserting in their place new paragraphs (6), (7), and (8) to read as follows:

"(6) 'Lobbyist' means:

(A) Any natural person who, for compensation, either individually or as an employee of another person, undertakes to promote or oppose the passage of any legislation by the General Assembly, or any committee thereof, or the approval or veto of legislation by the Governor;

(B) Any natural person who makes a total expenditure of more than \$250.00 in a calendar year, not including the person's own travel, food, lodging expenses, or informational material to promote or oppose the passage of any legislation by the General Assembly, or any committee thereof, or the approval or veto of legislation by the Governor;

(C) Any natural person who as an employee of the executive branch or judicial branch of state government engages in any activity covered under subparagraph (A) of this paragraph;

(D) Any natural person who, for compensation, either individually or as an employee of another person, undertakes to promote or oppose the passage of any ordinance or resolution by a public officer specified under subparagraph (F) or (G) of paragraph (15) of Code Section 21-5-3, or any committee of such public officers, or the approval or veto of any such ordinance or resolution;

(E) Any natural person who makes a total expenditure of more than \$250.00 in a calendar year, not including the person's own travel, food, lodging expenses, or informational material to promote or oppose the passage of any ordinance or resolution by a public officer specified under subparagraph (F) or (G) of paragraph (15) of Code

1 Section 21-5-3, or any committee of such public officers, or the approval or veto of any
2 such ordinance or resolution; or

3 (F) Any natural person who as an employee of the executive branch or judicial branch
4 of local government engages in any activity covered under subparagraph (D) of this
5 paragraph; or

6 (G) Any natural person who, for compensation, either individually or as an employee
7 of another person undertakes to influence a public officer or public body in the
8 selection of a vendor to supply any goods or services to any state agency but does not
9 include a person solely on the basis that such person participates in preparing a written
10 bid, written proposal, or other document relating to a potential sale to a state agency.

11 (7) 'Public officer' means those public officers specified under subparagraphs (A)
12 through (G) of paragraph (15) of Code Section 21-5-3, as amended, except as otherwise
13 provided in this article and also includes any public officer or employee who has any
14 discretionary authority over, or is a member of a public body which has any discretionary
15 authority over, the selection of a vendor to supply any goods or services to any state
16 agency.

17 (8) 'State agency' means any agency, authority, department, board, bureau, commission,
18 council, corporation, entity, or instrumentality of the state but does not include a local
19 political subdivision, such as a county, city, or local school district or an instrumentality
20 of such a local political subdivision."

21 SECTION 6.

22 Said chapter is further amended by striking subsection (a) of Code Section 21-5-73, relating
23 to lobbyist disclosure reports, and inserting in its place the following:

24 "(a) Each lobbyist registered under this article shall file disclosure reports as provided for
25 in this Code section. Beginning January 1, 2005, such reports shall be filed by electronic
26 means."

27 SECTION 7.

28 Said chapter is further amended by striking subsection (d) of Code Section 21-5-73, relating
29 to lobbyist disclosure reports, and inserting in its place the following:

30 "(d) Reports filed by lobbyists shall be verified and shall include:

31 (1) A description of all expenditures, as defined in Code Section 21-5-70, or the value
32 thereof made by the lobbyist, or employees of the lobbyist, or employer of the lobbyist
33 on behalf or for the benefit of a public officer. The description of each reported
34 expenditure shall include:

1 (A) The name and title of the public officer or, if the expenditure is simultaneously
 2 incurred for an identifiable group of public officers the individual identification of
 3 whom would be impractical, a general description of that identifiable group;

4 (B) The amount, date, and description of the expenditure;

5 (C) The provisions of Code Section 21-5-70 notwithstanding, aggregate expenditures
 6 described in divisions (1)(E)(vii) and (1)(E)(x) of Code Section 21-5-70 incurred during
 7 the reporting period; provided, however, expenses for travel and for food, beverage, and
 8 lodging in connection therewith afforded a public officer shall be reported in the same
 9 manner as under subparagraphs (A), (B), and (D) of this paragraph; and

10 (D) If applicable, the number of the bill, resolution, ordinance, or regulation pending
 11 before the governmental entity in support of or opposition to which the expenditure was
 12 made; and

13 (2) The names of any members of the immediate family of a public officer employed by
 14 or whose professional services are paid for by the lobbyist during the reporting period."

15 SECTION 8.

16 Said chapter is further amended by adding at the end of Code Section 21-5-73, relating to
 17 lobbyist disclosure reports, a new subsection (e) to read as follows:

18 "(e) The reports required by this Code section shall be in addition to any reports required
 19 under Code Section 45-1-6, relating to required reports by state vendors of gifts to state
 20 employees. Compliance with this Code section shall not excuse noncompliance with that
 21 Code section, and compliance with that Code section shall not excuse noncompliance with
 22 this Code section, notwithstanding the fact that in some cases the same information may
 23 be required to be disclosed under both Code sections."

24 SECTION 9.

25 Code Section 45-10-26 of the Official Code of Georgia Annotated, relating to yearly
 26 disclosure statements of public officials and employees concerning business transactions with
 27 the state, is amended by striking subsection (a) of said Code section and inserting in its place
 28 the following:

29 "(a) Except as provided in subsection (b) of this Code section, any public official or
 30 employee, whether for himself or herself or on behalf of any business, or any business in
 31 which such public official or employee or any member of his or her family has a substantial
 32 interest who transacts business with the state or any agency thereof or with any political
 33 subdivision of the state shall disclose such transactions. In addition, if any business in
 34 which the children of any such public official have a substantial interest transacts business
 35 with the state or any agency or any political subdivision, such public official shall also

1 disclose such transactions if the public official has actual knowledge of such ownership
2 interest or knowledge of facts which put a reasonable and prudent person on notice of such
3 ownership. Such disclosure shall be submitted ~~prior to January 31~~ not before the first day
4 of January nor later than July 1 of each year to the Secretary of State on such forms as he
5 or she shall prescribe and shall include an itemized list of the previous year's transactions
6 with the dollar amount of each transaction reported and totaled. Such disclosure statements
7 shall be public records. As used in this subsection, the term 'political subdivision' means
8 the state or any local subdivision of the state or public instrumentality or public corporate
9 body created by or under authority of state law, including, but not limited to,
10 municipalities, counties, school districts, special taxing districts, conservation districts,
11 authorities, and any other state or local public instrumentality or corporation which has the
12 right to bring and defend actions or to issue its bonds or other obligations as evidence of
13 indebtedness under any provision of law and also means any corporate or other entity
14 which leases a public improvement to such political subdivision; and the term also means
15 the governing body of such political subdivision and its members and officers in their
16 official capacity."

17 **SECTION 10.**

18 This Act shall become effective on January 1, 2004, and apply to all reports due that year and
19 in subsequent years thereto.

20 **SECTION 11.**

21 All laws and parts of laws in conflict with this Act are repealed.