



General Assembly

February Session, 2010

Raised Bill No. 474

LCO No. 2161

02161_____GAE

Referred to Committee on Government Administration and Elections

Introduced by:
(GAE)

AN ACT DEFINING GRASS ROOTS LOBBYING.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 1-91 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2010*):

3 When used in this part, unless the context otherwise requires:

4 [(a)] (1) "Administrative action" means any action or nonaction of
5 any executive agency of the state with respect to the proposal, drafting,
6 development, consideration, amendment, adoption or repeal of any
7 rule, regulation or utility rate, and any action or nonaction of any
8 executive agency or quasi-public agency, [as defined in section 1-79,]
9 regarding a contract, grant, award, purchasing agreement, loan, bond,
10 certificate, license, permit or any other matter which is within the
11 official jurisdiction or cognizance of such an agency.

12 [(b)] (2) "Candidate for public office" means any person who has
13 filed a declaration of candidacy or a petition to appear on the ballot for
14 election as a public official, or who has raised or expended money in

15 furtherance of such candidacy, or who has been nominated for
16 appointment to serve as a public official; but shall not include a
17 candidate for the office of senator or representative in Congress.

18 [(c)] (3) "Board" means the Citizen's Ethics Advisory Board
19 established under section 1-80, as amended by this act.

20 [(d)] (4) "Compensation" means any value received or to be received
21 by a person acting as a lobbyist, whether in the form of a fee, salary or
22 forbearance.

23 [(e)] (5) "Executive agency" means a commission, board, agency, or
24 other body or official in the executive branch of the state government
25 and any independent body of the state government that is not a part of
26 the legislative or judicial branch.

27 [(f)] (6) "Expenditure" means any advance, conveyance, deposit,
28 distribution, transfer of funds, loan, payment, unless expressly
29 excluded; any payments for telephone, mailing, postage, printing and
30 other clerical or office services and materials; any paid
31 communications, costing fifty dollars or more in any calendar year,
32 disseminated by means of any printing, broadcasting or other
33 medium, provided such communications refer to pending
34 administrative or legislative action; any contract, agreement, promise
35 or other obligation; any solicitation or solicitations, costing fifty dollars
36 or more in the aggregate for any calendar year, of other persons to
37 communicate with a public official or state employee for the purpose
38 of influencing any legislative or administrative act and any pledge,
39 subscription of money or anything of value. "Expenditure" [shall] does
40 not include (A) the payment of a registrant's fee pursuant to section 1-
41 95, (B) any expenditure made by any club, committee, partnership,
42 organization, business, union, association or corporation for the
43 purpose of publishing a newsletter or other release [to] intended
44 primarily for its members, shareholders or employees, whether in
45 written or electronic form or made orally during a regularly noticed
46 meeting, (C) any expenditure made by any club, committee,

47 partnership, organization, business, union, association or corporation
48 for the purpose of transporting its members, shareholders or
49 employees to and from a specific site, where such members,
50 shareholders or employees receive no other compensation or
51 reimbursement for lobbying from such club, committee, partnership,
52 organization, business, union, association or corporation, or (D)
53 contributions, membership dues or other fees paid to associations,
54 nonstock corporations or tax-exempt organizations under Section
55 501(c) of the Internal Revenue Code of 1986, or any subsequent
56 corresponding internal revenue code of the United States, as from time
57 to time amended.

58 [(g)] (Z) "Gift" means anything of value, which is directly and
59 personally received, unless consideration of equal or greater value is
60 given in return. "Gift" [shall] does not include:

61 [(1)] (A) A political contribution otherwise reported as required by
62 law or a donation or payment described in subdivision (9) or (10) of
63 subsection (b) of section 9-601a;

64 [(2)] (B) Services provided by persons volunteering their time, if
65 provided to aid or promote the success or defeat of any political party,
66 any candidate or candidates for public office or the position of
67 convention delegate or town committee member or any referendum
68 question;

69 [(3)] (C) A commercially reasonable loan made on terms not more
70 favorable than loans made in the ordinary course of business;

71 [(4)] (D) A gift received from [(A)] (i) the individual's spouse, fiance
72 or fiancée, [(B)] (ii) the parent, brother or sister of such spouse or such
73 individual, or [(C)] (iii) the child of such individual or the spouse of
74 such child;

75 [(5)] (E) Goods or services [(A)] (i) which are provided to a state
76 agency or quasi-public agency [(i)] (I) for use on state or quasi-public

77 agency property, or [(ii)] (II) that support an event, and [(B)] (ii) which
78 facilitate state or quasi-public agency action or functions. As used in
79 this subdivision, "state property" means [(i)] property owned by the
80 state or a quasi-public agency, or [(ii)] property leased to a state or
81 quasi-public agency;

82 [(6)] (F) A certificate, plaque or other ceremonial award costing less
83 than one hundred dollars;

84 [(7)] (G) A rebate, discount or promotional item available to the
85 general public;

86 [(8)] (H) Printed or recorded informational material germane to
87 state action or functions;

88 [(9)] (I) Food or beverage or both, costing less than fifty dollars in
89 the aggregate per recipient in a calendar year, and consumed on an
90 occasion or occasions at which the person paying, directly or
91 indirectly, for the food or beverage, or his representative, is in
92 attendance;

93 [(10)] (J) Food or beverage or both, costing less than fifty dollars per
94 person and consumed at a publicly noticed legislative reception to
95 which all members of the General Assembly are invited and which is
96 hosted not more than once in any calendar year by a lobbyist or
97 business organization. For the purposes of such limit, [(A)] (i) a
98 reception hosted by a lobbyist who is an individual shall be deemed to
99 have also been hosted by the business organization which he owns or
100 is employed by, and [(B)] (ii) a reception hosted by a business
101 organization shall be deemed to have also been hosted by all owners
102 and employees of the business organization who are lobbyists. In
103 making the calculation for the purposes of such fifty-dollar limit, the
104 donor shall divide the amount spent on food and beverage by the
105 number of persons whom the donor reasonably expects to attend the
106 reception;

107 [(11)] (K) Food or beverage or both, costing less than fifty dollars per
108 person and consumed at a publicly noticed reception to which all
109 members of the General Assembly from a region of the state are
110 invited and which is hosted not more than once in any calendar year
111 by a lobbyist or business organization. For the purposes of such limit,
112 [(A)] (i) a reception hosted by a lobbyist who is an individual shall be
113 deemed to have also been hosted by the business organization which
114 he owns or is employed by, and [(B)] (ii) a reception hosted by a
115 business organization shall be deemed to have also been hosted by all
116 owners and employees of the business organization who are lobbyists.
117 In making the calculation for the purposes of such fifty-dollar limit, the
118 donor shall divide the amount spent on food and beverage by the
119 number of persons whom the donor reasonably expects to attend the
120 reception. As used in this [subdivision] subparagraph, "region of the
121 state" means the established geographic service area of the
122 organization hosting the reception;

123 [(12)] (L) A gift, including, but not limited to, food or beverage or
124 both, provided by an individual for the celebration of a major life
125 event, provided any such gift provided by an individual who is not a
126 member of the family of the recipient shall not exceed one thousand
127 dollars in value;

128 [(13)] (M) Gifts costing less than one hundred dollars in the
129 aggregate or food or beverage provided at a hospitality suite at a
130 meeting or conference of an interstate legislative association, by a
131 person who is not a registrant or is not doing business with the state of
132 Connecticut;

133 [(14)] (N) Admission to a charitable or civic event, including food
134 and beverage provided at such event, but excluding lodging or travel
135 expenses, at which a public official or state employee participates in
136 his official capacity, provided such admission is provided by the
137 primary sponsoring entity;

138 [(15)] (O) Anything of value provided by an employer of [(A)] (i) a

139 public official, [(B)] (ii) a state employee, or [(C)] (iii) a spouse of a
140 public official, [or] state employee to such official, employee or spouse,
141 provided such benefits are customarily and ordinarily provided to
142 others in similar circumstances;

143 [(16)] (P) Anything having a value of not more than ten dollars,
144 provided the aggregate value of all things provided by a donor to a
145 recipient under this subdivision in any calendar year shall not exceed
146 fifty dollars; or

147 [(17)] (Q) Training that is provided by a vendor for a product
148 purchased by a state or quasi-public agency which is offered to all
149 customers of such vendor.

150 (8) "Grass roots lobbying" means any attempt to influence legislative
151 or administrative action by means of affecting the opinions of the
152 general public or any segment of the general public by using a
153 communication that (A) makes a reference to specific legislative or
154 administrative action; (B) expresses a view on such legislative or
155 administrative action; and (C) encourages the recipient of such
156 communication to contact an official of the legislative branch of
157 government, an executive agency or quasi-public agency, or a staff
158 member of such an official, for the purpose of influencing legislative or
159 administrative action.

160 [(h)] (9) "Immediate family" means any spouse, dependent children
161 or dependent relatives who reside in the individual's household.

162 [(i)] (10) "Individual" means a natural person.

163 [(j)] (11) "Legislative action" means introduction, sponsorship,
164 consideration, debate, amendment, passage, defeat, approval, veto,
165 overriding of a veto or any other official action or nonaction with
166 regard to any bill, resolution, amendment, nomination, appointment,
167 report, or any other matter pending or proposed in a committee or in
168 either house of the legislature, or any matter which is within the

169 official jurisdiction or cognizance of the legislature.

170 [(k)] (12) "Lobbying" means communicating directly or soliciting
171 others to communicate with any official or his staff in the legislative or
172 executive branch of government or in a quasi-public agency, for the
173 purpose of influencing any legislative or administrative action except
174 that the term "lobbying" does not include [(1)] (A) communications by
175 or on behalf of a party to, or an intervenor in, a contested case, as
176 described in regulations adopted by the [commission] Office of State
177 Ethics in accordance with the provisions of chapter 54, before an
178 executive agency or a quasi-public agency, as defined in section 1-79,
179 [(2)] (B) communications by a representative of a vendor or by an
180 employee of the registered client lobbyist which representative or
181 employee acts as a salesperson and does not otherwise engage in
182 lobbying regarding any administrative action, [(3)] (C)
183 communications by an attorney made while engaging in the practice of
184 law and regarding any matter other than legislative action as defined
185 in [subsection (j)] subdivision (11) of this section or the proposal,
186 drafting, development, consideration, amendment, adoption or repeal
187 of any rule or regulation, or [(4)] (D) other communications exempted
188 by regulations adopted by the [commission] Office of State Ethics in
189 accordance with the provisions of chapter 54. As used in this
190 subdivision, "soliciting others to communicate" means: (i) Providing
191 compensation, reimbursement, or both, to other persons to
192 communicate directly or to organize grass roots lobbying, or (ii)
193 organizing grass roots lobbying.

194 [(l)] (13) "Lobbyist" means a person who in lobbying and in
195 furtherance of lobbying makes or agrees to make expenditures, or
196 receives or agrees to receive compensation, reimbursement, or both,
197 and such compensation, reimbursement or expenditures are two
198 thousand dollars or more in any calendar year or the combined
199 amount thereof is two thousand dollars or more in any such calendar
200 year. Lobbyist shall not include:

201 [(1)] (A) A public official, employee of a branch of state government
202 or a subdivision thereof, or elected or appointed official of a
203 municipality or his designee other than an independent contractor,
204 who is acting within the scope of his authority or employment;

205 [(2)] (B) A publisher, owner or an employee of the press, radio or
206 television while disseminating news or editorial comment to the
207 general public in the ordinary course of business;

208 [(3)] (C) An individual representing himself or another person
209 before the legislature or a state agency other than for the purpose of
210 influencing legislative or administrative action;

211 [(4)] (D) Any individual or employee who receives no compensation
212 or reimbursement specifically for lobbying and who limits his
213 activities solely to formal appearances to give testimony before public
214 sessions of committees of the General Assembly or public hearings of
215 state agencies and who, if he testifies, registers his appearance in the
216 records of such committees or agencies;

217 [(5)] (E) A member of an advisory board acting within the scope of
218 his appointment;

219 [(6)] (F) A senator or representative in Congress acting within the
220 scope of his office;

221 [(7)] (G) Any person who receives no compensation or
222 reimbursement specifically for lobbying and who spends no more than
223 five hours in furtherance of lobbying unless such person [(A)] (i)
224 exclusive of salary, receives compensation or makes expenditures, or
225 both, of two thousand dollars or more in any calendar year for
226 lobbying or the combined amount thereof is two thousand dollars or
227 more in any such calendar year, or [(B)] (ii) expends fifty dollars or
228 more for the benefit of a public official in the legislative or executive
229 branch, a member of his staff or immediate family;

230 [(8)] (H) A communicator lobbyist who receives or agrees to receive

231 compensation, reimbursement, or both, the aggregate amount of which
232 is less than two thousand dollars from each client in any calendar year.

233 [(m)] (14) "Member of an advisory board" means any person
234 appointed by a public official as an advisor or consultant or member of
235 a committee, commission or council established to advise, recommend
236 or consult with a public official or branch of government or committee
237 thereof and who receives no public funds other than per diem
238 payments or reimbursement for his actual and necessary expenses
239 incurred in the performance of his official duties and who has no
240 authority to expend any public funds or to exercise the power of the
241 state.

242 [(n)] (15) "Person" means an individual, a business, corporation,
243 limited liability company, union, association, firm, partnership,
244 committee, club or other organization or group of persons.

245 [(o)] (16) "Political contribution" has the same meaning as in section
246 9-601a except that for purposes of this part, the provisions of
247 subsection (b) of [that] said section shall not apply.

248 [(p)] (17) "Public official" means any state-wide elected state officer,
249 any member or member-elect of the General Assembly, any person
250 appointed to any office of the legislative, judicial or executive branch
251 of state government by the Governor, with or without the advice and
252 consent of the General Assembly, the spouse of the Governor and any
253 person appointed or elected by the General Assembly or any member
254 of either house thereof; but shall not include a member of an advisory
255 board or a senator or representative in Congress.

256 [(q)] (18) "Registrant" means a person who is required to register
257 pursuant to section 1-94.

258 [(r)] (19) "Reimbursement" means any money or thing of value
259 received or to be received in the form of payment for expenses as a
260 lobbyist, not including compensation.

261 [(s)] (20) "State employee" means any employee in the executive,
262 judicial or legislative branch of state government, whether in the
263 classified or unclassified service and whether full or part-time.

264 [(t)] (21) "Business organization" means a sole proprietorship,
265 corporation, limited liability company, association, firm or partnership,
266 other than a client lobbyist, which is owned by, or employs one or
267 more individual lobbyists.

268 [(u)] (22) "Client lobbyist" means a lobbyist on behalf of whom
269 lobbying takes place and who makes expenditures for lobbying and in
270 furtherance of lobbying.

271 [(v)] (23) "Communicator lobbyist" means a lobbyist who
272 communicates directly or solicits others to communicate with an
273 official or his staff in the legislative or executive branch of government
274 or in a quasi-public agency for the purpose of influencing legislative or
275 administrative action.

276 [(w)] (24) "State agency" means any office, department, board,
277 council, commission, institution, constituent unit of the state system of
278 higher education, vocational-technical school or other agency in the
279 executive, legislative or judicial branch of state government.

280 [(x)] (25) "Quasi-public agency" means quasi-public agency, as
281 defined in section 1-79.

282 Sec. 2. Subsection (b) of section 1-80 of the general statutes is
283 repealed and the following is substituted in lieu thereof (*Effective*
284 *October 1, 2010*):

285 (b) All members shall be electors of the state. No member shall be a
286 state employee. No member or employee of such board shall (1) hold
287 or campaign for any public office; (2) have held public office or have
288 been a candidate for public office for a three-year period prior to
289 appointment; (3) hold office in any political party or political
290 committee or be a member of any organization or association

291 organized primarily for the purpose of influencing legislation or
292 decisions of public agencies; or (4) be an individual who is a registrant
293 as defined in [subsection (q) of] section 1-91, as amended by this act.

294 Sec. 3. Subsection (a) of section 1-92 of the general statutes is
295 repealed and the following is substituted in lieu thereof (*Effective*
296 *October 1, 2010*):

297 (a) The Citizen's Ethics Advisory Board shall adopt regulations, in
298 accordance with chapter 54, to carry out the purposes of this part. Such
299 regulations shall not be deemed to govern the conduct of any judge
300 trial referee in the performance of such judge trial referee's duties
301 pursuant to this chapter. Not later than January 1, 1992, the board shall
302 adopt regulations which further clarify the meaning of the terms
303 "directly and personally received" and "major life event", as used in
304 subsection (e) of section 1-79 and [subsection (g)] subdivision (7) of
305 section 1-91, as amended by this act.

306 Sec. 4. Subsection (e) of section 1-96 of the general statutes is
307 repealed and the following is substituted in lieu thereof (*Effective*
308 *October 1, 2010*):

309 (e) Each client lobbyist registrant financial report shall be on a form
310 prescribed by the board and shall state expenditures made and the
311 fundamental terms of contracts, agreements or promises to pay
312 compensation or reimbursement or to make expenditures in
313 furtherance of lobbying. Any such fundamental terms shall be
314 reported once in the monthly, quarterly or post-termination report
315 next following the entering into of such contract. Such financial report
316 shall include an itemized statement of each expenditure of ten dollars
317 or more per person for each occasion made by the reporting registrant
318 or a group of registrants which includes the reporting registrant for the
319 benefit of a public official in the legislative or executive branch, a
320 member of his staff or immediate family, itemized by date, beneficiary,
321 amount and circumstances of the transaction. The requirement of an
322 itemized statement shall not apply to an expenditure made by a

323 reporting registrant or a group of registrants which includes the
324 reporting registrant for (1) the benefit of the members of the General
325 Assembly at an event that is a reception to which all such members are
326 invited or all members of a region of the state, as such term is used in
327 [subdivision (11) of subsection (g)] subparagraph (K) of subdivision (7)
328 of section 1-91, as amended by this act, are invited, unless the
329 expenditure is thirty dollars or more per person, or (2) benefits
330 personally and directly received by a public official or state employee
331 at a charitable or civic event at which the public official or state
332 employee participates in his official capacity, unless the expenditure is
333 thirty dollars or more per person, per event. If the compensation is
334 required to be reported for an individual whose lobbying is incidental
335 to his regular employment, it shall be sufficient to report a prorated
336 amount based on the value of the time devoted to lobbying. On the
337 first financial report following registration each client lobbyist
338 registrant shall include any expenditures incident to lobbying activities
339 which were received or expended prior to registration and not
340 previously reported to the Office of State Ethics.

341 Sec. 5. Section 1-96d of the general statutes is repealed and the
342 following is substituted in lieu thereof (*Effective October 1, 2010*):

343 Each registrant or business organization that hosts a legislative
344 reception to which all members are invited, or all members of a region
345 in the state, as such term is used in [subdivision (11) of subsection (g)]
346 subparagraph (K) of subdivision (7) of section 1-91, as amended by this
347 act, are invited, shall include in its invitation or any published notice of
348 such reception whether the registrant or business organization
349 reasonably expects such expenditures to be reportable pursuant to
350 subsection (e) of section 1-96, as amended by this act.

351 Sec. 6. Subsection (a) of section 1-97 of the general statutes is
352 repealed and the following is substituted in lieu thereof (*Effective*
353 *October 1, 2010*):

354 (a) No registrant or anyone acting on behalf of a registrant shall

355 knowingly give a gift, as defined in [subsection (g) of] section 1-91, as
 356 amended by this act, to any state employee, public official, candidate
 357 for public office or a member of any such person's staff or immediate
 358 family. Nothing in this section shall be construed to permit any activity
 359 prohibited under section 53a-147 or 53a-148.

360 Sec. 7. Section 2-16a of the general statutes is repealed and the
 361 following is substituted in lieu thereof (*Effective October 1, 2010*):

362 No state representative or state senator who is elected at the 1994
 363 state election or any election thereafter shall engage in the profession
 364 of lobbyist, as [that] such term is defined in [subsection (l) of] section 1-
 365 91, as amended by this act, until one year after the expiration of the
 366 term for which such state representative or state senator was elected.

367 Sec. 8. Subdivision (1) of subsection (b) of section 3-13l of the general
 368 statutes is repealed and the following is substituted in lieu thereof
 369 (*Effective October 1, 2010*):

370 (1) "Finder's fee" means compensation in the form of cash, cash
 371 equivalents or other things of value paid to or received by a third party
 372 in connection with an investment transaction to which the state, any
 373 political subdivision of the state or any quasi-public agency, as defined
 374 in section 1-120, is a party for any services, and includes, but is not
 375 limited to, any fee paid for lobbying, as defined in [subsection (k) of]
 376 section 1-91, as amended by this act, and as defined by the Citizen's
 377 Ethics Advisory Board, in consultation with the Treasurer, in the
 378 regulations adopted under subparagraph (C)(ii) of subdivision (3) of
 379 this subsection or as prescribed by the Treasurer until such regulations
 380 are adopted.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2010</i>	1-91
Sec. 2	<i>October 1, 2010</i>	1-80(b)
Sec. 3	<i>October 1, 2010</i>	1-92(a)

Sec. 4	<i>October 1, 2010</i>	1-96(e)
Sec. 5	<i>October 1, 2010</i>	1-96d
Sec. 6	<i>October 1, 2010</i>	1-97(a)
Sec. 7	<i>October 1, 2010</i>	2-16a
Sec. 8	<i>October 1, 2010</i>	3-131(b)(1)

Statement of Purpose:

To define "grass roots lobbying" and clarify the exemptions to the term "expenditure".

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]