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1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Government Operations to which was referred Senate Bill
3 No. 93 entitled “An act relating to lobbying disclosures” respectfully reports
4 that it has considered the same and recommends that the House propose to the
5 Senate that the bill be amended by striking out all after the enacting clause and
6 inserting in lieu thereof the following:

7 Sec. 1. FINDINGS

8 (a) The effective public disclosure of the identity and extent of the efforts
9 of registered lobbyists, lobbying firms, and lobbyist employers to influence
10 Vermont’s legislators during the legislative session will increase public
11 confidence in the integrity of the governmental process.

12 (b) Responsible representative government requires public awareness of the
13 efforts of registered lobbyists, lobbying firms, and lobbyist employers to
14 influence the public decision-making process in the Legislative Branch of
15 Vermont’s government.

16 (c) Requiring registered lobbyists, lobbying firms, and lobbyist employers
17 to report significant advertisements and advertising campaigns that are
18 intended, designed, or calculated, to ~~directly or indirectly~~ influence legislative
19 action or to solicit others to influence legislative action enables the public and

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1 legislators to evaluate better the pressures and content of the message when
2 considering that action.

3 (d) The lack of detail in current required lobbying disclosure filings does
4 not provide the public and legislators with enough relevant information about
5 who is attempting to influence the legislative process through advertising, and
6 the timing of current required lobbying disclosure filings prevents the public
7 and legislators from evaluating the pressures and content of lobbying
8 advertising at the time public policy is being debated. The requirement in this
9 act to report significant lobbying advertisements and advertising campaigns
10 within 48 hours provides the public and legislators with specific and timely
11 information regarding who is spending money to influence the legislative
12 process, and the amount being spent to do so.

13 (e) Requiring registered lobbyists, lobbying firms, and lobbyist employers
14 to designate clearly the name of the lobbyist, lobbying firm, or lobbyist
15 employer paying for an advertisement within the advertisement allows the
16 public and legislators to determine who is attempting to influence the
17 legislative process through advertising, to evaluate the pressures and content of
18 lobbying advertising at the time when public policy is being debated, to trace
19 coordinated advertising buys, and to track such spending over time.

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1 Sec. 2. 2 V.S.A. § 264c is added to read:

2 § 264c. IDENTIFICATION IN AND REPORT OF CERTAIN LOBBYING

3 ADVERTISEMENTS

4 (a) Identification.

5 (1) An advertisement that is intended, designed, or calculated to ~~directly~~
6 ~~or indirectly~~ influence legislative action ~~or to solicit others to influence~~
7 legislative action and that is made at any time prior to final adjournment of a
8 biennial or adjourned legislative session shall contain the name of any lobbyist,
9 lobbying firm, or lobbyist employer that made an expenditure for the
10 advertisement and language that the advertisement was paid for, or paid in
11 part, by the lobbyist, lobbying firm, or lobbyist employer; provided, however:

12 (A) if there are more than three such names, only the three lobbyists,
13 lobbying firms, or lobbyist employers that made the largest expenditures for
14 the advertisement shall be required to be identified; and

15 (B) if a lobbyist or lobbying firm made the expenditure on behalf of a
16 lobbyist employer, the identification information set forth in subdivision (1) of
17 this subsection shall be in the name of that lobbyist employer.

18 (2) This identification information shall appear prominently and in a
19 manner such that a reasonable person would clearly understand by whom the
20 expenditure has been made.

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1 (b) Report.

2 (1) In addition to any other reports required to be filed under this
3 chapter, a lobbyist, lobbying firm, or lobbyist employer shall file an
4 advertisement report with the Secretary of State if he, she, or it makes an
5 expenditure or expenditures:

6 (A) for any advertisement that is described in subsection (a) of this
7 section and that has a cost totaling \$1,000.00 or more; or

8 (B) for any advertising campaign that contains advertisements
9 described in subsection (a) of this section and that has a cost totaling \$1,000.00
10 or more.

11 (2) The report shall be made for each advertisement or advertising
12 campaign described in subdivision (1) of this subsection and shall identify the
13 lobbyist, lobbying firm, or lobbyist employer that made the expenditure; the
14 amount and date of the expenditure and to whom it was paid; and a brief
15 description of the advertisement or advertising campaign.

16 (3) The report shall be filed within 48 hours of the expenditure or the
17 advertisement or advertising campaign, whichever occurs first.

18 (4) If a lobbyist or lobbying firm made an expenditure described in
19 subdivision (1) of this subsection on behalf of a lobbyist employer and that
20 lobbyist or lobbying firm filed the report required by this subsection, the report

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1 shall specifically identify the employer on whose behalf the expenditure was
2 made.

3 (c) Definitions. As used in this section:

4 (1) “Advertisement” means ~~any form of advertising, including~~
5 ~~television, radio, print, and electronic media~~ a television commercial, radio
6 commercial, mass mailing, mass electronic or digital communication, literature
7 drop, newspaper or periodical advertisement, robotic phone call, or telephone
8 bank. As used in this subdivision, “telephone bank” means more than 500
9 telephone calls of an identical or substantially similar nature that are made to
10 the general public within any 30-day period.

11 (2) “Advertising campaign” means advertisements substantially similar
12 in nature, regardless of the media in which they are placed.

13 Sec. 3. 2 V.S.A. § 264 is amended to read:

14 § 264. REPORTS OF EXPENDITURES, COMPENSATION, AND GIFTS;

15 EMPLOYERS; LOBBYISTS

16 (a) Every employer and every lobbyist registered or required to be
17 registered under this chapter shall file disclosure reports with the Secretary of
18 State as follows:

19 (1) on or before January 15 25, for the preceding period beginning on
20 July 1 and ending with December 31;

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1 (2) on or before February ~~15~~ 25, for the preceding period beginning on
2 January 1 and ending with January 31;

3 (3) on or before March ~~15~~ 25, for the preceding period beginning on
4 February 1 and ending with the last day of February;

5 (4) on or before April 25 ~~15~~ 25, for the preceding period beginning on
6 ~~January 1~~ March 1 and ending with March 31;

7 ~~(2)~~(5) on or before May ~~15~~ 25, for the preceding period beginning on
8 April 1 and ending with April 30; and

9 (6) on or before July 25 ~~15~~ 25, for the preceding period beginning on
10 ~~April~~ May 1 and ending with June 30;

11 ~~(3)~~ on or before January 25, for the preceding period beginning on July
12 1 and ending with December 31.

13 (b) An employer shall disclose for the period of the report the following
14 information:

15 (1) A total of all lobbying expenditures made by the employer in each of
16 the following categories:

17 (A) Advertising, including television, radio, print, and electronic
18 media.

19 (B) Expenses incurred for telemarketing, polling, or similar activities
20 if the activities are intended, designed, or calculated, directly or indirectly, to

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1 influence legislative or administrative action. The report shall specify the
2 amount, the person to whom the amount was paid, and a brief description of
3 the activity.

4 (C) Contractual agreements in excess of \$100.00 per year or direct
5 business relationships that are in existence or were entered into within the
6 previous 12 months between the employer and:

7 (i) a legislator or administrator;

8 (ii) a legislator's or administrator's spouse; or

9 (iii) a legislator's or administrator's dependent household member.

10 (D) The total amount of any other lobbying expenditures.

11 * * *

12 ~~(4) Contractual agreements in excess of \$100.00 per year or direct~~
13 ~~business relationships that are in existence or were entered into within the~~
14 ~~previous 12 months between the employer and:~~

15 ~~(A) a legislator or administrator;~~

16 ~~(B) a legislator's or administrator's spouse; or~~

17 ~~(C) a legislator's or administrator's dependent household member.~~

18 [Repealed.]

19 (c) A lobbyist shall disclose for the period of the report the following
20 information:

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1 ~~(B) a legislator's or administrator's spouse or civil union partner; or~~

2 ~~(C) a legislator's or administrator's dependent household member.~~

3 **[Repealed.]**

4 Sec. ~~4~~ **5**. 2 V.S.A. § 265 is amended to read:

5 § 265. ~~PUBLIC ACCESS; REGISTRATION STATEMENTS; REPORTS~~

6 SUBMISSION OF AND ACCESS TO LOBBYING DISCLOSURES

7 ~~The secretary of state shall maintain copies of all lobbyist and employer~~
8 ~~registration statements and disclosure reports and all lobbying firm disclosure~~
9 ~~reports arranged alphabetically, which shall be a public record available for~~
10 ~~public inspection during ordinary business hours. The secretary of state shall~~
11 ~~also compile and maintain a separate report for each reporting period for each~~
12 ~~legislator or administrative official indicating the gifts reported to have been~~
13 ~~given to that legislator or official during the reporting period by employers,~~
14 ~~lobbyists, or lobbying firms, which shall be a public record available for public~~
15 ~~inspection during ordinary business hours. On January 1 of each odd-~~
16 ~~numbered year, the secretary may discard statements and reports that have~~
17 ~~been maintained for a period of four years.~~

18 (a) The Secretary of State shall provide on his or her website an online
19 database of the lobbying disclosures required under this chapter.

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1 (1) In this database, the Secretary shall provide digital access to each
2 form he or she shall provide to enable a person to file the statements or reports
3 required under this chapter. Digital access shall enable such a person to file
4 these lobbying disclosures by completing and submitting the disclosure to the
5 Secretary of State online.

6 (2) The Secretary shall maintain on the online database all disclosures
7 that have been filed digitally on it so that any person may have direct
8 machine-readable electronic access to the individual data elements in each
9 disclosure and the ability to search those data elements as soon as a disclosure
10 is filed.

11 (b) Any person required to file a disclosure with the Secretary of State
12 under this chapter shall sign it, declare that it is made under the penalties of
13 perjury, and file it digitally on the online database.

14 Sec. ~~5~~ **6**. 2 V.S.A. § 267 is amended to read:

15 § 267. ~~VERIFICATION OF STATEMENTS AND REPORTS~~

16 ~~Any statement or report required to be made under any provision of this~~
17 ~~chapter shall contain or be verified by a written declaration that it is made~~
18 ~~under the penalties of perjury. [Repealed.]~~

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1 Sec. ~~6~~ **7**. TRANSITIONAL PROVISION; SECRETARY OF STATE;

2 MAINTENANCE OF PRIOR LOBBYING DISCLOSURES

3 (a) The Secretary of State shall maintain copies of the lobbying reports and
4 registration statements filed with him or her on paper prior to the effective date
5 of this act and the separate report of gifts to legislators and administrative
6 officials he or she compiled under the provisions of 2 V.S.A. § 265 in effect
7 prior to the effective date of this act, and shall make those disclosures available
8 for public inspection during ordinary business hours.

9 (b) On January 1 of each odd-numbered year, the Secretary may discard the
10 disclosures described in subsection (a) of this section that he or she has
11 maintained for a period of at least four years.

12 Sec. ~~7~~ **8**. EFFECTIVE DATE

13 This act shall take effect on July 1, 2015.

14

15

16 (Committee vote: _____)

17

18

Representative _____

19

FOR THE COMMITTEE