

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007**

H

2

**HOUSE BILL 1111*
Committee Substitute Favorable 5/17/07**

Short Title: Clarify State Government Ethics Act.

(Public)

Sponsors:

Referred to:

March 28, 2007

A BILL TO BE ENTITLED

1
2 AN ACT TO MAKE CLARIFYING CHANGES TO THE STATE GOVERNMENT
3 ETHICS ACT BY ADDING LIAISON PERSONNEL TO THE DEFINITION OF
4 GIFT; BY CLARIFYING THAT GIFTS FROM EXTENDED FAMILY
5 MEMBERS DO NOT NEED TO BE REPORTED UNDER THE LOBBYING
6 LAW; AND BY CLARIFYING THAT BENEFITS TO NONPROFITS WITH
7 WHICH ASSOCIATED AS MEMBERS OF A GENERAL CLASS ARE NOT
8 PROHIBITED AS A CONFLICT OF INTEREST, AS RECOMMENDED BY THE
9 HOUSE COMMITTEE ON ETHICS.

10 The General Assembly of North Carolina enacts:

11 **SECTION 1.** G.S. 138A-3(15) reads as rewritten:

12 "(15) Gift. – Anything of monetary value given or received without valuable
13 consideration by or from a lobbyist, lobbyist principal, liaison
14 personnel, or a person described under G.S. 138A-32(d)(1), (2), or (3).

15 The following shall not be considered gifts under this subdivision:

- 16 a. Anything for which fair market value, or face value if shown, is
17 paid by the covered person or legislative employee.
18 b. Commercially available loans made on terms not more
19 favorable than generally available to the general public in the
20 normal course of business if not made for the purpose of
21 lobbying.
22 c. Contractual arrangements or commercial relationships or
23 arrangements made in the normal course of business if not
24 made for the purpose of lobbying.
25 d. Academic or athletic scholarships based on the same criteria as
26 applied to the public.
27 e. Campaign contributions properly received and reported as
28 required under Article 22A of Chapter 163 of the General
29 Statutes."

1 **SECTION 2.** G.S. 138A-24(a)(8) reads as rewritten:

2 "(8) A list of all things of monetary value greater than two hundred dollars
3 (\$200.00) given and received without valuable consideration and under
4 circumstances that a reasonable person would conclude that the thing
5 was given for the purpose of lobbying, if such things ~~where~~were given
6 by a person not required to report under Chapter 120C of the General
7 Statutes, ~~or from~~excluding things given by a member of the person's
8 extended family. The list shall include only those things received
9 during the 12 months preceding the reporting period under subsection
10 (d) of this section, and shall include the source of those things. The list
11 required by this subdivision shall not apply to things of monetary
12 value received by the filing person prior to the time the person filed or
13 was nominated as a candidate for office, as described in G.S. 138A-22,
14 or was appointed or employed as a covered person."

15 **SECTION 3.** G.S. 138A-38(1) reads as rewritten:

16 "(1) The only interest or reasonably foreseeable benefit that accrues to the
17 covered person, the covered person's extended family, nonprofit with
18 which the covered person is associated, or business with which the
19 covered person is associated as a member of a profession, occupation,
20 or general class is no greater than that which could reasonably be
21 foreseen to accrue to all members of that profession, occupation, or
22 general class."

23 **SECTION 4.** This act is effective when it becomes law.