

1 TO THE HONORABLE SENATE:

2 The Committee on Government Operations to which was referred Senate Bill  
3 No. 93 entitled “An act relating to disclosure of lobbying advertisements”  
4 respectfully reports that it has considered the same and recommends that the  
5 bill be amended by striking out all after the enacting clause and inserting in  
6 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 and administration officials during the legislative session  
11 will increase public confidence in the integrity of government.

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 both the Legislative and  
15 Executive Branches of Vermont’s government.

16 (c) Just as requiring a person to contemporaneously report large mass  
17 media activities within 45 days before an election allows the electorate to  
18 better evaluate the content of a message intended to influence that election,  
19 requiring registered lobbyists, lobbying firms, and lobbyist employers to report  
20 significant advertising campaigns that are intended, designed, or calculated,  
21 directly or indirectly, to influence legislative or administrative action enables

1 the public, legislators, and administrative officials to better evaluate the  
2 content of the message when considering that action.

3 (d) The lack of detail in current required lobbying disclosure filings does  
4 not provide the public, legislators, and administrative officials with enough  
5 relevant information about who is attempting to influence the legislative and  
6 administrative process through advertising, and the timing of current required  
7 lobbying disclosure filings prevents the public, legislators, and administrative  
8 officials from evaluating the content of lobbying advertising at the time public  
9 policy is being debated.

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

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, directly  
6 or indirectly, to influence legislative or administrative action and made at any  
7 time prior to final adjournment of a biennial or adjourned legislative session  
8 shall contain the name of any lobbyist, lobbying firm, or lobbyist employer  
9 that made an expenditure for the advertisement and language that the  
10 advertisement was paid for, or paid in part, by the lobbyist, lobbying firm, or  
11 lobbyist employer; provided, however, that if there are more than three such  
12 names, only the three lobbyists, lobbying firms, or lobbyist employers that  
13 made the largest expenditures for the advertisement shall be required to be  
14 identified.

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

18 (b) Report. In addition to any other reports required to be filed under this  
19 chapter, a lobbyist, lobbying firm, or lobbyist employer that makes an  
20 expenditure for any advertisement described in subsection (a) of this section

1 that totals \$1,000.00 or more shall, for each advertisement, file an  
2 advertisement report with the Secretary of State.

3 (1) The report shall identify the lobbyist, lobbying firm, or lobbyist  
4 employer that made the expenditure; the amount and date of the expenditure  
5 and to whom it was paid; and a brief description of the advertisement.

6 (2) The report shall be filed within 48 hours of the expenditure or  
7 advertisement, whichever occurs first.

8 (c) Definition. As used in this section, “advertisement” means any form of  
9 advertising, including television, radio, print, and electronic media.

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

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

12 EMPLOYERS; LOBBYISTS

13 \* \* \*

14 ~~(h) Disclosure reports shall be made on forms published by the Secretary of~~  
15 ~~State and shall be signed by the employer or lobbyist. The Secretary of State~~  
16 ~~shall make those forms available to registered employers and lobbyists on the~~  
17 ~~Secretary’s website not later than 30 days before each filing deadline.~~

18 [Repealed.]

19 \* \* \*

1 Sec. 4. 2 V.S.A. § 265 is amended to read:

2 § 265. ~~PUBLIC ACCESS; REGISTRATION STATEMENTS; REPORTS~~  
3 SUBMISSION OF AND ACCESS TO LOBBYING DISCLOSURES

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

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

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

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

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

9           Sec. 5. 2 V.S.A. § 267 is amended to read:

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

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

14          Sec. 6. TRANSITIONAL PROVISION; SECRETARY OF STATE;

15                   MAINTENANCE OF PRIOR LOBBYING DISCLOSURES

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

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

4        Sec. 7. EFFECTIVE DATE

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

6        and that after passage the title of the bill be amended to read: “An act relating  
7        to lobbying disclosures”.

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14        (Committee vote: \_\_\_\_\_)

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Senator \_\_\_\_\_

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FOR THE COMMITTEE