

1 AN ACT relating to the Executive Branch Code of Ethics.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 11A.080 is amended to read as follows:

- 4 (1) (a) Upon a complaint signed under penalty of perjury by any person, or upon its
5 own motion, the commission shall conduct a preliminary investigation of any
6 alleged violation of this chapter.
- 7 (b) The preliminary investigation shall begin not later than ten (10) days after the
8 next commission meeting following the receipt of the sworn complaint, or, if
9 the investigation is initiated by the commission's own motion, not later than
10 ten (10) days after the date of the adoption of the motion.
- 11 (c) Within ten (10) days of the commencement of the preliminary investigation,
12 the commission shall forward a copy of the complaint, if one has been filed, or
13 a statement of possible violations being investigated, and a general statement
14 of the applicable law to the person alleged to have committed a violation.
- 15 (2) All commission proceedings and records relating to a preliminary investigation
16 shall be confidential until a final determination is made by the commission, except:
- 17 (a) The commission may turn over to the Attorney General, the United States
18 Attorney, or the Commonwealth's attorney of the jurisdiction in which the
19 offense allegedly occurred, evidence which may be used in criminal
20 proceedings or, at its discretion, may at any time turn over to the Personnel
21 Board, ~~or~~ the Auditor of Public Accounts, or **any other agency with**
22 **jurisdiction to review, audit, or investigate the alleged offense** ~~both~~,
23 evidence which may be used by ~~either or both of~~ those agencies for
24 investigative purposes;
- 25 (b) If the alleged violator publicly discloses the existence of a preliminary
26 investigation, the commission may publicly confirm the existence of the
27 inquiry and, in its discretion, make public any documents which were issued

1 to either party;

2 (c) If the matter being investigated was referred to the commission from another
3 state agency, the commission may inform the referring state agency of the
4 status of any preliminary investigation and of any action taken on the matter.

5 (3) If the commission determines in the preliminary investigation that the facts are not
6 sufficient to constitute a violation of this chapter, the commission shall immediately
7 terminate the investigation and notify in writing the complainant, if any, and the
8 person alleged to have committed a violation. The commission may confidentially
9 inform the alleged violator of potential violations and provide information to ensure
10 future compliance with the law. If the alleged violator publicly discloses the
11 existence of such action by the commission, the commission may confirm the
12 existence of the resolution and, in its discretion, make public any documents which
13 were issued to the alleged violator.

14 (4) If the commission, during the course of the preliminary investigation, finds probable
15 cause to believe that a violation of this chapter has occurred, the commission may,
16 upon majority vote:

17 (a) Due to mitigating circumstances such as lack of significant economic
18 advantage or gain by the alleged violator, lack of significant economic loss to
19 the state, or lack of significant impact on public confidence in government, in
20 writing, confidentially reprimand the alleged violator for potential violations
21 of the law and provide a copy of the reprimand to the alleged violator's
22 appointing authority, if any. If the alleged violator publicly discloses the
23 existence of such an action, the commission may confirm the existence of the
24 action and, in its discretion, make public any documents which were issued to
25 the alleged violator; or

26 (b) Initiate an administrative proceeding to determine whether there has been a
27 violation.

1 ➔Section 2. KRS 11A.211 is amended to read as follows:

- 2 (1) Each executive agency lobbyist, employer, and real party in interest shall file with
3 the commission within ten (10) days following the engagement of an executive
4 agency lobbyist, an initial registration statement showing all of the following:
- 5 (a) The name, business address, and occupation of the executive agency lobbyist;
 - 6 (b) The name and business address of the employer and of any real party in
7 interest on whose behalf the executive agency lobbyist is acting, if it is
8 different from the employer. However, if a trade association or other
9 charitable or fraternal organization that is exempt from federal income
10 taxation under Section 501(c) of the Internal Revenue Code is the employer,
11 the statement need not list the names and addresses of every member of the
12 association or organization, so long as the association or organization itself is
13 listed;
 - 14 (c) A brief description of the executive agency decision to which the engagement
15 relates;
 - 16 (d) The name of the executive agency or agencies to which the engagement
17 relates; and
 - 18 (e) Certification by the employer and executive agency lobbyist that the
19 information contained in the registration statement is complete and accurate.
- 20 (2) In addition to the initial registration statement required by subsection (1) of this
21 section, each executive agency lobbyist, employer, and real party in interest shall
22 file with the commission, not later than the last day of July of each year, an updated
23 registration statement that confirms the continuing existence of each engagement
24 described in an initial registration statement and that lists the specific executive
25 agency decisions the executive agency lobbyist sought to influence under the
26 engagement during the period covered by the updated statement, and with it any
27 statement of expenditures required to be filed by KRS 11A.216 and any details of

- 1 financial transaction required to be filed by KRS 11A.221.
- 2 (3) If an executive agency lobbyist is engaged by more than one (1) employer, the
3 executive agency lobbyist shall file a separate initial and updated registration
4 statement for each engagement. If an employer engages more than one (1) executive
5 agency lobbyist, the employer shall file only one (1) updated registration statement
6 under subsection (2) of this section, which shall contain the information required by
7 subsection (2) of this section regarding all executive agency lobbyists engaged by
8 the employer.
- 9 (4) (a) A change in any information required by subsection (1)(a), (b), (c), (d), or (2)
10 of this section shall be reflected in the next updated registration statement
11 filed under subsection (2) of this section.
- 12 (b) Within thirty (30) days following the termination of an engagement, the
13 executive agency lobbyist who was employed under the engagement shall file
14 written notice of the termination with the commission.
- 15 (5) Each employer of one (1) or more executive agency lobbyists, and each real party in
16 interest, shall pay a registration fee of five hundred (\$500) dollars~~one hundred~~
17 ~~twenty-five dollars (\$125)~~ upon the filing of an updated registration statement. All
18 fees collected by the commission under the provisions of this subsection shall be
19 deposited in the State Treasury in a trust and agency fund account to the credit of
20 the commission. These agency funds shall be used to supplement general fund
21 appropriations for the operations of the commission and shall not lapse. No part of
22 the trust and agency fund account shall revert to the general funds of this state.
- 23 (6) Upon registration pursuant to this section, an executive agency lobbyist shall be
24 issued a card annually by the commission showing the executive agency lobbyist is
25 registered. The registration card shall be valid from the date of its issuance through
26 the thirty-first day of July of the following year.
- 27 (7) The commission shall review each registration statement filed with the commission

1 under this section to determine if the statement contains all of the required
2 information. If the commission determines the registration statement does not
3 contain all of the required information or that an executive agency lobbyist,
4 employer, or real party in interest has failed to file a registration statement, the
5 commission shall send written notification of the deficiency by certified mail to the
6 person who filed the registration statement or to the person who failed to file the
7 registration statement regarding the failure. Any person so notified by the
8 commission shall, not later than fifteen (15) days after receiving the notice, file a
9 registration statement or an amended registration statement that includes all of the
10 required information. If any person who receives a notice under this subsection fails
11 to file a registration statement or an amended registration statement within the
12 fifteen (15) day period, the commission may initiate an investigation of the person's
13 failure to file. If the commission initiates an investigation pursuant to this section,
14 the commission shall also notify each elected executive official and the secretary of
15 each cabinet listed in KRS 12.250 of the pending investigation.

16 (8) In the biennial report published under KRS 11A.110(13), the commission shall, in
17 the manner and form the commission determines, include a report containing
18 statistical information on the registration statements filed under this section during
19 the preceding biennium.

20 (9) If an employer who engages an executive agency lobbyist, or a real party in interest
21 on whose behalf the executive agency lobbyist was engaged is the recipient of a
22 contract, grant, lease, or other financial arrangement pursuant to which funds of the
23 state or of an executive agency are distributed or allocated, the executive agency or
24 any aggrieved party may consider the failure of the real party in interest, the
25 employer, or the executive agency lobbyist to comply with this section as a breach
26 of a material condition of the contract, grant, lease, or other financial arrangement.

27 (10) Executive agency officials may require certification from any person seeking the

1 award of a contract, grant, lease, or financial arrangement that the person, his
2 employer, and any real party in interest are in compliance with this section.