

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 19-0958.01 Bob Lackner x4350

HOUSE BILL 19-1248

HOUSE SPONSORSHIP

Weissman and Cutter,

SENATE SPONSORSHIP

(None),

House Committees

State, Veterans, & Military Affairs
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING MEASURES TO PROMOTE TRANSPARENCY ABOUT THE**
102 **ACTIVITIES OF PERSONS LOBBYING STATE GOVERNMENT**
103 **OFFICIALS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Sections 2 and 3 of the bill clarify that the term "client" used in connection with statutory provisions regulating lobbyists means the person who employs or retains the professional services of one or more lobbyists to undertake lobbying on behalf of that person. They also clarify that a professional lobbyist is not, for purposes of the statute, a client of

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

either a lobbying firm or any other person that employs or retains one or more professional lobbyists to undertake lobbying on behalf of one or more clients.

Section 3 clarifies that existing provisions that require heightened disclosure when a lobbyist enters into an agreement to engage in lobbying apply when the general assembly is in regular or special session.

In addition to any other disclosure, during the period that the general assembly is in regular or special session, section 3 also requires a professional lobbyist to notify the secretary of state by means of the electronic filing system within 48 hours after:

- ! The lobbyist agrees to undertake lobbying in connection with new legislation, standards, rules, or rates for either a new or existing client of the lobbyist; or
- ! The lobbyist takes a new position on a new or existing bill for a new or existing client of the lobbyist.

During this period, where the lobbyist either agrees to undertake the expanded representation, the disclosure required by the bill includes the bill number of the legislation at issue and whether the lobbyist's client is supporting, opposing, amending, or monitoring the legislation at the time the lobbyist agrees to undertake lobbying in connection with the legislation or takes a new position.

The bill also states that an attorney who is a professional lobbyist may not decline to disclose his or her lobbying as such lobbying is required to be disclosed on the grounds that the lobbying is protected against disclosure as confidential matters between an attorney and a client.

In connection with any requirement under existing law to disclose the identity of a client, a professional lobbyist who is a natural person and who is employed or retained by a lobbying firm or any other firm or entity may disclose the name of the lobbying firm or other person or entity by means of which, or under the name of which, a professional lobbyist does business, but to satisfy such disclosure requirement the lobbyist is also required to disclose the name of the client who employs or retains the professional services of the lobbyist, or a lobbying firm or any other person or entity that employs or retains the lobbyist, to undertake lobbying on its behalf.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Short title.** This short title of this act is the
3 "Lobbyist Transparency Act".

4 **SECTION 2.** In Colorado Revised Statutes, 24-6-301, **amend** (1)

1 as follows:

2 **24-6-301. Definitions - legislative declaration.** As used in this
3 part 3, unless the context otherwise requires:

4 (1) "Client" means the person who employs OR RETAINS the
5 professional services of ~~a lobbyist~~ ONE OR MORE LOBBYISTS TO
6 UNDERTAKE LOBBYING ON BEHALF OF THAT PERSON. For the purposes of
7 this part 3, a professional lobbyist is not a client of another lobbyist for
8 whom he or she undertakes lobbying on a subcontract basis nor is the
9 professional lobbyist a client of EITHER a lobbying firm OR ANY OTHER
10 PERSON THAT EMPLOYS OR RETAINS ONE OR MORE PROFESSIONAL
11 LOBBYISTS TO UNDERTAKE LOBBYING ON BEHALF OF ONE OR MORE
12 CLIENTS. Where the client is an organization or entity, nothing in this
13 subsection (1) requires the organization or entity to provide the names of
14 any of its shareholders, investors, business partners, coalition partners,
15 members, donors, or supporters, as applicable.

16 **SECTION 3.** In Colorado Revised Statutes, 24-6-302, **amend**
17 (6)(a) and (8); and **add** (6.5) and (9) as follows:

18 **24-6-302. Disclosure statements - required - definition.**

19 (6) (a) During the period that the general assembly is not in REGULAR OR
20 SPECIAL session, a professional lobbyist shall notify the secretary of state
21 in writing within five ~~working~~ BUSINESS days after an oral or written
22 agreement to engage in lobbying for any person OR CLIENT not disclosed
23 in the registration statement filed pursuant to section 24-6-303 (1). During
24 the period that the general assembly is in REGULAR OR SPECIAL session, a
25 professional lobbyist shall notify the secretary of state after an agreement
26 to engage in lobbying for any person OR CLIENT not disclosed in the
27 registration statement filed pursuant to section 24-6-303 (1), either by

1 means of the electronic filing system created in section 24-6-303 (6.3) or
2 by facsimile transmission in accordance with the following:

3 (I) In the case of a written agreement to engage the lobbyist,
4 disclosure shall be made within twenty-four hours after the date of the
5 agreement; and

6 (II) In the case of an oral agreement to engage the lobbyist, the
7 disclosure shall be made within twenty-four hours after the date of a
8 subsequent written agreement between the parties, the commencing of
9 lobbying activities, or the date the lobbyist receives any payment on the
10 agreement, whichever occurs first.

11 (6.5) (a) IN ADDITION TO ANY OTHER DISCLOSURE REQUIRED BY
12 THIS PART 3, DURING THE PERIOD THAT THE GENERAL ASSEMBLY IS IN
13 REGULAR OR SPECIAL SESSION, A PROFESSIONAL LOBBYIST SHALL NOTIFY
14 THE SECRETARY OF STATE BY MEANS OF THE ELECTRONIC FILING SYSTEM
15 CREATED IN SECTION 24-6-303 (6.3) WITHIN SEVENTY-TWO HOURS AFTER:

16 (I) THE LOBBYIST AGREES TO UNDERTAKE LOBBYING IN
17 CONNECTION WITH NEW LEGISLATION, STANDARDS, RULES, OR RATES FOR
18 EITHER A NEW OR EXISTING CLIENT OF THE LOBBYIST; OR

19 (II) THE LOBBYIST TAKES A NEW POSITION ON A NEW OR EXISTING
20 BILL FOR A NEW OR EXISTING CLIENT OF THE LOBBYIST.

21 (b) DURING THE PERIOD THAT THE GENERAL ASSEMBLY IS IN
22 REGULAR OR SPECIAL SESSION, WHERE THE LOBBYIST AGREES TO
23 UNDERTAKE LOBBYING IN CONNECTION WITH NEW OR EXISTING
24 LEGISLATION FOR EITHER A NEW OR EXISTING CLIENT, THE DISCLOSURE
25 REQUIRED BY SUBSECTION (6.5)(a) OF THIS SECTION INCLUDES THE BILL
26 NUMBER OF THE LEGISLATION AT ISSUE AND WHETHER THE LOBBYIST'S
27 CLIENT IS SUPPORTING, OPPOSING, AMENDING, OR MONITORING THE

1 LEGISLATION AT THE TIME THE LOBBYIST AGREES TO UNDERTAKE
2 LOBBYING IN CONNECTION WITH THE LEGISLATION OR TAKES A NEW
3 POSITION.

4 (8) Notwithstanding any other provision of this part 3, an attorney
5 who is a professional lobbyist is required to disclose information about the
6 clients for whom he or she lobbies in accordance with this part 3 to the
7 same extent as a professional lobbyist who is not an attorney. AN
8 ATTORNEY WHO IS A PROFESSIONAL LOBBYIST MAY NOT DECLINE TO
9 DISCLOSE HIS OR HER LOBBYING AS SUCH LOBBYING IS REQUIRED TO BE
10 DISCLOSED IN ACCORDANCE WITH THIS PART 3 ON THE GROUNDS THAT THE
11 LOBBYING IS PROTECTED AGAINST DISCLOSURE AS CONFIDENTIAL MATTERS
12 BETWEEN AN ATTORNEY AND A CLIENT.

13 (9) NOTWITHSTANDING ANY OTHER PROVISION OF THIS PART 3, IN
14 CONNECTION WITH ANY REQUIREMENT TO DISCLOSE THE IDENTITY OF A
15 CLIENT IN THIS SECTION OR SECTION 24-6-303, "CLIENT" MEANS, IN
16 ACCORDANCE WITH SECTION 24-6-301 (1), THE NAME OF THE PERSON WHO
17 EMPLOYS OR RETAINS THE PROFESSIONAL SERVICES OF A LOBBYIST, A
18 LOBBYING FIRM, OR ANY OTHER PERSON OR ENTITY TO UNDERTAKE
19 LOBBYING ON ITS BEHALF. IN CONNECTION WITH ANY REQUIREMENT IN THIS
20 SECTION OR SECTION 24-6-303 TO DISCLOSE THE IDENTITY OF A CLIENT, A
21 PROFESSIONAL LOBBYIST WHO IS A NATURAL PERSON AND WHO IS
22 EMPLOYED OR RETAINED BY A LOBBYING FIRM OR ANY OTHER FIRM OR
23 ENTITY MAY DISCLOSE THE NAME OF THE LOBBYING FIRM OR OTHER PERSON
24 OR ENTITY BY MEANS OF WHICH, OR UNDER THE NAME OF WHICH, A
25 PROFESSIONAL LOBBYIST DOES BUSINESS, BUT TO SATISFY SUCH
26 DISCLOSURE REQUIREMENT THE LOBBYIST SHALL ALSO DISCLOSE THE NAME
27 OF THE CLIENT WHO EMPLOYS OR RETAINS THE PROFESSIONAL SERVICES OF

1 THE LOBBYIST, OR A LOBBYING FIRM OR ANY OTHER PERSON OR ENTITY
2 THAT EMPLOYS OR RETAINS THE LOBBYIST, TO UNDERTAKE LOBBYING ON
3 ITS BEHALF.

4 **SECTION 4.** In Colorado Revised Statutes, 24-6-303, **add (7)** as
5 follows:

6 **24-6-303. Registration as professional lobbyist - filing of**
7 **disclosure statements - certificate of registration - legislative**
8 **declaration - repeal.** (7) (a) NOT LATER THAN JULY 1, 2019, THE
9 SECRETARY OF STATE, REFERRED TO IN THIS SUBSECTION (7) AS THE
10 "SECRETARY", SHALL CONVENE A WORKING GROUP TO CONSIDER UPGRADES
11 TO THE ELECTRONIC FILING SYSTEM REQUIRED BY SUBSECTION (6.3) OF THIS
12 SECTION. THE WORKING GROUP SHALL CONSIDER WAYS TO IMPROVE THE
13 USE OF THE SYSTEM BY MEMBERS OF THE PUBLIC AND BY INDIVIDUALS
14 COVERED BY THIS PART 3 AS WELL AS WAYS TO INCREASE OVERALL
15 TRANSPARENCY AND THE EASE OF THE USE OF DATA REPORTED INTO THE
16 ELECTRONIC FILING SYSTEM. THE WORKING GROUP MUST MEET AT LAST
17 ONCE PRIOR TO DECEMBER 31, 2019, AND MAY MEET AS OFTEN AS THE
18 SECRETARY DEEMS NECESSARY TO ACHIEVE THE PURPOSES OF THIS
19 SUBSECTION (7). THE WORKING GROUP SHALL INCLUDE REPRESENTATIVES
20 OF ORGANIZATIONS THAT ADVOCATE FOR GOVERNMENT TRANSPARENCY
21 AND INDIVIDUALS REQUIRED TO REGISTER AND MAKE DISCLOSURE UNDER
22 THIS PART 3. THE SECRETARY MAY PROMULGATE RULES TO GOVERN THE
23 WORKING GROUP ESTABLISHED BY THIS SUBSECTION (7)(a).

24 (b) THE SECRETARY SHALL REPORT THE CONCLUSIONS OF THE
25 WORKING GROUP AS PART OF THE PRESENTATION OF THE DEPARTMENT OF
26 STATE TO ITS COMMITTEE OF REFERENCE AT A HEARING HELD PURSUANT TO
27 SECTION 2-7-203 (2)(a) OF THE "STATE MEASUREMENT FOR

1 ACCOUNTABLE, RESPONSIVE, AND TRANSPARENT (SMART) GOVERNMENT
2 ACT".

3 (c) THIS SUBSECTION (7) IS REPEALED, EFFECTIVE MARCH 1, 2020.

4 **SECTION 5. Effective date - applicability.** (1) This act takes
5 effect upon passage; except that section 24-6-302 (6.5), Colorado Revised
6 Statutes, as enacted in section 2 of this act, takes effect January 1, 2020.

7 (2) This act applies to the required disclosure of information on or
8 after the applicable effective date of this act.

9 **SECTION 6. Safety clause.** The general assembly hereby finds,
10 determines, and declares that this act is necessary for the immediate
11 preservation of the public peace, health, and safety.