

Major Changes to Kentucky and Virginia's Lobbying and Gift Laws Start Now

July 2014

Earlier this year, Kentucky and Virginia made significant changes to their lobbying and gift laws that become effective this month.

Kentucky

On July 15, several major changes to Kentucky's lobbying and gift laws become effective. These changes include:

- Under the "no cup of coffee" law, legislative lobbyists and their employers are prohibited from spending any money on food and beverages for individual legislators, legislative candidates, and their immediate families. The "no cup of coffee" law eliminated the exception for food and beverages consumed on the premises with a value of \$100 or less. Special exceptions for events to which groups of legislators are invited, in-state non-profit events, and events for which an individual legislator has received prior approval to attend from the Legislative Research Commission continue to remain in effect.
- Legislative lobbyists and their employers are prohibited from paying for out-of-state transportation or lodging expenses for a legislator.
- Legislative lobbyist employers are required to report certain grassroots lobbying expenses, which are referred to as "advertising costs."
- In addition to the existing year-round ban on contributing to legislators and legislative candidates, legislative lobbyists are now prohibited from soliciting, controlling, or delivering (e.g., bundling) contributions to legislators and legislative candidates.
- PACs and legislative lobbyist employers are prohibited from contributing to legislators and legislative candidates during the regular session of the General Assembly.

Virginia

Virginia has instituted lobbyist gift restrictions and has otherwise made a number of additional changes. Highlights of these changes include:

- Effective July 1, lobbyists, lobbyist principals, and persons seeking government contracts are now prohibited from providing "tangible gifts" exceeding \$250 in a calendar year to a state or local officer or employee. This new restriction does not limit "intangible gifts," which include entertainment, hospitality, tickets, transportation, lodging, and meals.
- The general gift restriction that applies to all state and local officers and employees now clearly defines what it means to accept a gift from a relative or personal friend.
- Lobbyists filed their last annual expenditure report on July 1, 2014. From this point forward, lobbyists are now required to file semiannual expenditure reports. The first semiannual report will be due on December 15, 2014, for the six-month period from May 1–October 31, 2014.

Although the new law created the Virginia Conflict of Interest and Ethics Advisory Council, which is supposed to assume lobbyist and ethics reporting responsibilities from the Secretary of the Commonwealth during the last half of 2015, recent events have clouded the Council's future. Governor McAuliffe vetoed an appropriations bill to fund the Council, explaining that the new law was too weak and that he intended to present stronger ethics legislation to the General Assembly in 2015.