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## STATE ETHICS COMMISSION TO STUDY IMPLEMENTATION & EFFECTIVENESS OF THE STATE GOVERNMENT ETHICS ACT

### *Public Input Requested*

As you know, the State Government Ethics Act was signed into law in 2006 and was – and continues to be – the most comprehensive and sweeping ethics law in the history of North Carolina. Some of the more significant revisions included expanding the jurisdiction of the State Ethics Commission, civil penalties for failure to file or filing incomplete Statements of Economic Interest (“SEI’s”), criminal penalties for filing false SEI’s, mandatory ethics education, a general gifts ban, and investigations of complaints of certain unethical conduct.

Furthermore, the 2006 enactments significantly broadened the scope of the Lobbying Law to regulate executive branch lobbying. The changes to the lobbying law also included closing the “goodwill loophole,” and imposing criminal penalties for violations of the lobbying laws. These amendments required a division of oversight and regulatory responsibilities between the Commission and the Secretary of State’s office.

Over the past two years, both laws have been amended, but the original provisions remain generally unchanged. Therefore, it is at this point that the legislature has asked the Commission to look back over the last two years and evaluate the implementation of these laws. Specifically, the Commission is to study the implementation and

effectiveness of the State Government Ethics Act from its enactment to the present, including:

- Issues related to the administration of the laws created under the act by the State Ethics Commission, the Secretary of State, the State Board of Elections, and any applicable State agency.
- Areas of the ethics and lobbying process in which public input is needed.
- Need for notice to the public of interpretations of the law.
- Effectiveness of the ethics and lobbying education process.
- Volume of requests for advice.
- Adequacy of staffing to timely meet the needs of the act.
- General perceptions of the community affected by the State Government Ethics Act.

A copy of the Session Law requiring the study is attached.

In order to better address these issues, the Commission is requesting your input. Specifically, the Commission would like to hear your opinions on ways in which the Commission can more effectively and efficiently carry out its duties under

both the Ethics and Lobbying Acts. The Commission would also like to hear from you concerning any areas that you believe are working well. Attached is a comment form for your use. Please note, you do not need to sign the comment form; however, it would be helpful for the Commission to know your category, i.e., covered person, lobbyist, etc.

We would like to have your *written comments back by October 17th*. You may also comment by e-mail to [ethics.commission@doa.nc.gov](mailto:ethics.commission@doa.nc.gov) or by

calling our office at (919) 807-4620. Finally, the Commission is inviting *public comment* at its *November 14<sup>th</sup> meeting*.

Again, thank you in advance for your assistance as the Commission continues to strive to provide guidance to both persons covered by the ethics and lobbying laws as well as the general public. Should you have any questions or need additional information, please feel free to contact our office.

### TIMELINE

- October 17, 2008:** Written comments due
- November 14, 2008:** Oral comments to the Commission in conjunction with its regular meeting  
10:00 a.m.  
Fifth floor commission room (Room #5032)  
Department of Administration Building  
116 West Jones Street in Raleigh
- March 1, 2009:** Report due to the Legislative Ethics Committee

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## State Ethics Commission Meeting Schedule

### 2008

- **September 26 (Special called meeting)**  
The Commission will consider the imposition of possible fines for noncompliance with the Statement of Economic Interest filing requirements. The Commission may also hear progress and other reports and address such other business as comes before it, including the consideration of any formal advisory opinions and/or complaint inquiries. The consideration of advisory opinions and complaints is confidential under the State Government Ethics Act and must take place in closed session.
- **November 14**

### 2009

- **February 13**
- **May 8**
- **August 14**
- **November 13**

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Unless noted otherwise, the State Ethics Commission will meet at **10:00 a.m. in the fifth floor commission room (Room #5032) of the Department of Administration Building, 116 West Jones Street in Raleigh**. The Commission will hear progress and other reports and address such other business as comes before it, including the consideration of any formal advisory opinions and/or complaint inquiries. The consideration of advisory opinions and complaints is confidential under the State Government Ethics Act and must take place in closed session. For additional information, please contact Commission staff at 807-4620.

**2008 STATE ETHICS COMMISSION STUDY COMMENT FORM**

The General Assembly has required the State Ethics Commission to conduct a study of the implementation and effectiveness of the State Government Ethics Act, including:

- Issues related to the administration of the laws created under this act by the State Ethics Commission, the Secretary of State, the State Board of Elections, and any applicable State agency.
- Areas of the ethics and lobbying process in which public input is needed.
- Need for notice to the public of interpretations of the law.
- Effectiveness of the ethics and lobbying education process.
- Volume of requests for advice.
- Adequacy of staffing to timely meet the needs of the act.
- General perceptions of the community affected by the State Government Ethics Act.

The Commission must report its findings and recommend any proposed legislative changes no later than March 1, 2009.

**In order to better address these issues, the Commission would like to invite you to provide comments on any areas in which you believe the Commission could be more efficient and effective, as well as areas that you believe are working well.**

You do NOT need to sign your comments. However, we would like for you to indicate whether you are a public servant, ethics liaison, lobbyist, lobbyist principal, legislative liaison, or member of the general public or other group. You may return your comments to:

**State Ethics Commission  
1324 Mail Service Center  
Raleigh, NC 27699-1324  
Fax: (919) 807-4619**

You may also e-mail your comments to [ethics.commission@doa.nc.gov](mailto:ethics.commission@doa.nc.gov).

Covered Person     Ethics Liaison     L, LP, LL     General Public or Other Group

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*(Attach additional sheets if necessary)*

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 2007**

**SESSION LAW 2008-181**

**HOUSE BILL 2431**

AN ACT TO PROVIDE FOR STUDIES BY THE LEGISLATIVE RESEARCH COMMISSION, STATUTORY OVERSIGHT COMMITTEES AND COMMISSIONS, AND OTHER AGENCIES, COMMITTEES, AND COMMISSIONS.

The General Assembly of North Carolina enacts:

**PART I. TITLE**

**SECTION 1.** This act shall be known as "The Studies Act of 2008."

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**PART XV. STATE ETHICS COMMISSION TO STUDY IMPLEMENTATION AND EFFECTIVENESS OF THE STATE GOVERNMENT ETHICS ACT**

**SECTION 15.1.** The State Ethics Commission shall conduct a study of the implementation and effectiveness of S.L. 2006-201, the State Government Ethics Act. The study shall examine issues related to the administration of the laws created under this act by the State Ethics Commission, the Secretary of State, the State Board of Elections, and any applicable State agency. The study shall identify the areas of the ethics and lobbying process in which public input is needed, the need for notice to the public of interpretations of the law, the effectiveness of the ethics and lobbying education process, the volume of requests for advice, the adequacy of staffing to timely meet the needs of the act, and the general perception of the community affected by the State Government Ethics Act. The State Ethics Commission shall consult with the Legislative Ethics Committee as part of this study. The study shall assess and identify proposed legislative changes in the governmental process and the law needed to promote and continue high ethical behavior by governmental officers and employees. The report shall include recommendations on changes to Chapter 138A and Chapter 120C of the General Statutes. The State Ethics Commission shall report its findings and recommendations in writing to the Legislative Ethics Committee on or before by March 1, 2009.