AN ACT relating to executive branch ethics.

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

SECTION 1. A NEW SECTION OF KRS 6.601 TO 6.849 IS CREATED TO READ AS FOLLOWS:

If a provision of KRS 6.601 to 6.849 is designated as a misdemeanor or a felony, an alleged violation of the provision may be adjudicated by the commission as ethical misconduct.

Section 2. KRS 6.686 is amended to read as follows:

(1) (a) The commission shall have jurisdiction to investigate and proceed as to any violation of this code upon the filing of a complaint. The complaint shall be a written statement alleging a violation against one (1) or more named persons and stating the essential facts constituting the violation charged. The complaint shall be made under oath and signed by the complaining party before a person who is legally empowered to administer oaths. The commission shall have no jurisdiction in the absence of a complaint. A member of the commission may file a complaint.

(b) Within ten (10) days of the filing of a complaint, the commission shall cause a copy of the complaint to be served by certified mail upon the person alleged to have committed the violation.

(c) Within twenty (20) days of service of the complaint the person alleged to have committed the violation may file an answer with the commission. The filing of an answer is wholly permissive, and no inferences shall be drawn from the failure to file an answer.

(d) Not later than ten (10) days after the commission receives the answer, or the time expires for the filing of an answer, the commission shall initiate a preliminary inquiry into any alleged violation of this code. If the commission determines upon the affirmative vote of at least five (5) members, at either a
regularly scheduled meeting, or a teleconference meeting called upon the chair's oral or written notice to all members of the commission, that the complaint fails to state a claim of an ethics violation, the complaint shall be dismissed.

(e) Within thirty (30) days of the commencement of the inquiry, the commission shall give notice of the status of the complaint and a general statement of the applicable law to the person alleged to have committed a violation.

(f) A complaint may be filed against a former legislator, a former legislative agent, or a former employer of a legislative agent within one (1) year of the date he or she left office or terminated lobbying registration. The one (1) year limitation shall not apply if a complaint alleges a violation of KRS 6.757.

(g) The applicable criminal statutes of limitation shall not apply to ethical misconduct under KRS 6.601 to 6.849.

(2) All commission proceedings, including the complaint and answer and other records relating to a preliminary inquiry, shall be confidential until a final determination is made by the commission, except:

(a) The commission may turn over to the Attorney General, the United States Attorney, Commonwealth's attorney, or county attorney of the jurisdiction in which the offense allegedly occurred, evidence which may be used in criminal proceedings; and

(b) If the complainant or alleged violator publicly discloses the existence of a preliminary inquiry, the commission may publicly confirm the existence of the inquiry and, in its discretion, make public any documents which were issued to either party.

(3) The commission shall afford a person who is the subject of a preliminary inquiry an opportunity to appear in response to the allegations in the complaint. The person
shall have the right to be represented by counsel, to appear and be heard under oath, and to offer evidence in response to the allegations in the complaint.

(4) If the commission determines by the answer or in the preliminary inquiry that the complaint does not allege facts sufficient to constitute a violation of this code, the commission shall immediately terminate the matter and notify in writing the complainant and the person alleged to have committed a violation. The commission may confidentially inform the alleged violator of potential violations and provide information to ensure future compliance with the law. If the alleged violator publicly discloses the existence of such action by the commission, the commission may confirm the existence of the action and, in its discretion, make public any documents that were issued to the alleged violator.

(5) If the commission, during the course of the preliminary inquiry, finds probable cause to believe that a violation of this code has occurred, the commission shall notify the alleged violator of the finding, and the commission may, upon majority vote:

(a) Due to mitigating circumstances such as lack of significant economic advantage or gain by the alleged violator, lack of significant economic loss to the state, or lack of significant impact on public confidence in government, confidentially reprimand, in writing, the alleged violator for potential violations of the law and provide a copy of the reprimand to the presiding officer of the house in which the alleged violator serves, or the alleged violator's employer, if the alleged violator is a legislative agent. The proceedings leading to a confidential reprimand and the reprimand itself shall remain confidential except that, if the alleged violator publicly discloses the existence of such an action, the commission may confirm the existence of the action and, in its discretion, make public any documents which were issued to the alleged violator; or
(b) Initiate an adjudicatory proceeding to determine whether there has been a violation.

(6) Any person who knowingly files with the commission a false complaint of misconduct on the part of any legislator or other person shall be guilty of a Class A misdemeanor.

(7) Notwithstanding any other provision of KRS 61.805 to 61.850 or 61.870 to 61.884, proceedings conducted and documents created by the commission or the Legislative Research Commission under or related to this section shall be confidential.

Section 3. KRS 6.701 is amended to read as follows:

(1) The commission shall establish and supervise a program of ethics education and training, including but not limited to:

(a) Preparing and publishing an ethics education manual;

(b) Designing and supervising orientation courses for new legislators and employees of the legislative branch of state government.

(2) The commission shall establish, supervise, and conduct a program of ethics education and training designed specifically for and made available to legislative agents.

Section 4. KRS 6.711 is amended to read as follows:

(1) The commission shall design the general curriculum of orientation courses, which shall include but not be limited to explanations and discussions of the ethics laws, administrative regulations, relevant internal policies, specific technical and legal requirements, summaries of advisory opinions, underlying purposes and principles of ethics laws, examples of practical application of the laws and principles, and a question-and-answer participatory segment regarding common problems and situations. The commission shall prepare the methods and materials necessary to
implement the curriculum.

(2) The commission shall:

(a) Administer the orientation courses for legislators;

(b) Designate instructors to conduct their courses who shall be trained by the commission; and

(c) Notify legislators regarding attendance in these courses.

(3) The orientation courses shall be conducted for new legislators in December of each even-numbered year. Each course shall be at least two (2) hours in length and shall be designed for approval by the Kentucky Bar Association for continuing legal education [ethics] credits which the bar association may require.

(4) To facilitate participant interaction, those portions of the courses dedicated to group participation may be closed to the public.

(5) Each legislator shall complete the initial orientation course offered under this section. Each legislator elected after the initial orientation course shall complete the next orientation course conducted. The commission may grant permission for a legislator to attend a later course for good cause shown.

Section 5. KRS 6.716 is amended to read as follows:

(1) The commission shall design the general curriculum of a current issues seminar, which shall include, but not be limited to, discussion of changes in the ethics laws and administrative regulations, new advisory opinions, current ethical issues confronting public servants, practical application of ethics laws and principles to specific issues and situations, and development of problem-solving skills. The commission shall prepare the methods and materials necessary to implement the curriculum.

(2) The commission shall:

(a) Administer the current issues seminars for legislators and training for employees of the legislative branch of state government:
Designate instructors to conduct their current issues courses who shall be trained by the commission; and

Notify legislators regarding attendance in these seminars.

The current issues seminars for legislators shall be conducted in January of each year. Each course shall be at least two (2) hours in length and shall be designed for approval by the Kentucky Bar Association for continuing legal education ethics credits which the bar association may require.

To facilitate participant interaction, those portions of the seminars dedicated to group participation may be closed to the public.

Each legislator, after completion of an orientation training course, shall complete one (1) current issues seminar annually.

Section 6. KRS 7.101 is amended to read as follows:

The Legislative Research Commission shall require all members of the General Assembly to attend a sexual and workplace harassment training course to be held at the beginning of each session of the General Assembly. The Legislative Research Commission shall coordinate the development and presentation of the training course, with assistance of the Legislative Ethics Commission.

Section 7. KRS 11A.010 is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

"Business" means any corporation, limited liability company, partnership, limited partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock company, receivership, trust, or any legal entity through which business is conducted, whether or not for profit;

"Commission" means the Executive Branch Ethics Commission;

"Compensation" means any money, thing of value, or economic benefit conferred on, or received by, any person in return for services rendered, or to be rendered, by
(4) "Family" means spouse and children, as well as a person who is related to a public
servant as any of the following, whether by blood or adoption: parent, brother, sister, grandparent, grandchild, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister;

(5) "Gift" means a payment, loan, subscription, advance, deposit of money, services, or anything of value, unless consideration of equal or greater value is received; "gift" does not include gifts from family members, campaign contributions, the waiver of a registration fee for a presenter at a conference or training described in KRS 45A.097(5), or door prizes available to the public;

(6) "Income" means any money or thing of value received or to be received as a claim on future services, whether in the form of a fee, salary, expense allowance, forbearance, forgiveness, interest, dividend, royalty, rent, capital gain, or any other form of compensation or any combination thereof;

(7) "Officer" means:

(a) All major management personnel in the executive branch of state government, including the secretary of the cabinet, the Governor's chief executive officers, cabinet secretaries, deputy cabinet secretaries, general counsels, commissioners, deputy commissioners, executive directors, executive assistants, policy advisors, special assistants, administrative coordinators, executive advisors, staff assistants, and division directors;

(b) Members and full-time chief administrative officers of:

1. The Parole Board;
2. Kentucky Claims Commission;
3. Kentucky Retirement Systems board of trustees;
4. Kentucky Teachers' Retirement System board of trustees;
5. The Kentucky Public Employees Deferred Compensation Authority board of trustees;
6. Public Service Commission;
7. Worker's Compensation Board and its administrative law judges;
8. The Kentucky Occupational Safety and Health Review Commission;
9. The Kentucky Board of Education; and
10. The Council on Postsecondary Education;
(c) Salaried members of executive branch boards and commissions; and
(d) Any person who, through a personal service contract or any other contractual employment arrangement with an agency, performs on a full-time, nonseasonal basis a function of any major management position listed in this subsection;
(8) "Official duty" means any responsibility imposed on a public servant by virtue of his or her position in the state service;
(9) "Public servant" means:
(a) The Governor;
(b) The Lieutenant Governor;
(c) The Secretary of State;
(d) The Attorney General;
(e) The Treasurer;
(f) The Commissioner of Agriculture;
(g) The Auditor of Public Accounts;
(h) All employees in the executive branch including officers as defined in subsection (7) of this section and merit employees; and
(i) Any person who, through any contractual arrangement with an agency, is employed to perform a function of a position within an executive branch agency on a full-time, nonseasonal basis;
"Agency" means every state office, cabinet, department, board, commission, public corporation, or authority in the executive branch of state government. A public servant is employed by the agency by which his or her appointing authority is employed, unless his or her agency is attached to the appointing authority's agency for administrative purposes only, or unless the agency's characteristics are of a separate independent nature distinct from the appointing authority and it is considered an agency on its own, such as an independent department;

"Lobbyist" means any person employed as a legislative agent as defined in KRS 6.611(23) or any person employed as an executive agency lobbyist as defined in KRS 11A.201(9)(8);

"Lobbyist's principal" means the entity in whose behalf the lobbyist promotes, opposes, or acts;

"Candidate" means those persons who have officially filed candidacy papers or who have been nominated by their political party pursuant to KRS 118.105, 118.115, 118.325, or 118.760 for any of the offices enumerated in subsections (9)(a) to (g) of this section;

"Does business with" or "doing business with" means contracting, entering into an agreement, leasing, or otherwise exchanging services or goods with a state agency in return for payment by the state, including accepting a grant, but not including accepting a state entitlement fund disbursement;

"Public agency" means any governmental entity;

"Appointing authority" means the agency head or any person whom he or she has authorized by law to act on behalf of the agency with respect to employee appointments;

"Represent" means to attend an agency proceeding, write a letter, or communicate with an employee of an agency on behalf of someone else;

"Directly involved" means to work on personally or to supervise someone who
works on personally;

(19) "Sporting event" means any professional or amateur sport, athletic game, contest, event, or race involving machines, persons, or animals, for which admission tickets are offered for sale and that is viewed by the public;

(20) "Person" means an individual, proprietorship, firm, partnership, limited partnership, joint venture, joint stock company, syndicate, business or statutory trust, donative trust, estate, company, corporation, limited liability company, association, club, committee, organization, or group of persons acting in concert; and

(21) "Salaried" means receiving a fixed compensation or benefit reserved for full-time employees, which is paid on a regular basis without regard to the actual number of hours worked.

Section 8. KRS 11A.201 is amended to read as follows:

As used in KRS 11A.201 to 11A.246 and KRS 11A.990:

(1) "Compensation" means any money, thing of value, or economic benefit conferred on, or received by, any person in return for services rendered, or to be rendered, by himself or another;

(2) (a) "Expenditure" means any of the following that is made to, or for the benefit of an elected executive official, the secretary of a cabinet listed in KRS 12.250, an executive agency official, or a member of the staff of any of the officials listed in this paragraph:

1. A payment, distribution, loan, advance, deposit, reimbursement, or gift of money, real estate, or anything of value, including, but not limited to, food and beverages, entertainment, lodging, transportation, or honoraria;

2. A contract, promise, or agreement to make an expenditure; or

3. The purchase, sale, or gift of services or any other thing of value.

(b) "Expenditure" does not include a contribution, gift, or grant to a foundation or other charitable organization that is exempt from federal income taxation.
under Section 501(c)(3) of the Internal Revenue Code. "Expenditure" does not include the purchase, sale, or gift of services or any other thing of value that is available to the general public on the same terms as it is available to the persons listed in this subsection. "Expenditure" does not include a payment, contribution, gift, purchase, or any other thing of value that is made to or on behalf of any elected executive official, the secretary of a cabinet listed in KRS 12.250, an executive agency official, or any member of the staff of any of the officials listed in this paragraph who works for a state agency for which the executive agency lobbyist is not registered to influence;

(3) "Employer" means any person who engages an executive agency lobbyist;

(4) "Engage" means to make any arrangement, and "engagement" means arrangement, whereby an individual is employed or retained for compensation to act for or on behalf of an employer to influence executive agency decisions or to conduct any executive agency lobbying activity;

(5) "Financial impact" means to have an effect on the financial position of the employer of the executive agency lobbyist or the real party in interest whether or not the impact is positive or negative;

(6) (a) "Financial transaction" means a transaction or activity that is conducted or undertaken for profit and arises from the joint ownership, or the ownership, or part ownership in common of any real or personal property or any commercial or business enterprise of whatever form or nature between the following:

1. An executive agency lobbyist, his or her employer, a real party in interest, or a member of the immediate family of the executive agency lobbyist, his or her employer, or a real party in interest; and

2. Any elected executive official, the secretary of a cabinet listed in KRS 12.250, an executive agency official, or any member of the staff of any of the officials listed in this subparagraph.
(b) "Financial transaction" does not include any transaction or activity described in paragraph (a) of this subsection if it is available to the general public on the same terms;

(7) "Executive agency" means the office of an elected executive official, a cabinet listed in KRS 12.250, or any other state agency, department, board, or commission controlled or directed by an elected executive official or otherwise subject to his or her authority. "Executive agency" does not include any court or the General Assembly;

(8) "Executive agency decision" means a decision of an executive agency regarding the expenditure of funds of the state or of an executive agency with respect to the award of a contract, grant, lease, or other financial arrangement under which those funds are distributed or allocated. This shall also include decisions made concerning:

(a) The parameters of requests for information, requests for proposals, and other forms of solicitation in KRS Chapter 45A or 176;

(b) Drafting, adopting, or implementing a budget provision;

(c) Administrative regulations or rules;

(d) An executive order; or

(e) Legislation or amendments thereto; or

(f) Other public policy decisions;

(9) "Executive agency lobbyist" means any person engaged to influence executive agency decisions or to conduct executive agency lobbying activity as one (1) of his or her main purposes regarding a substantial issue, including associations, coalitions, or public interest entities formed for the purpose of promoting or otherwise influencing executive agency decisions. The term "executive agency lobbyist" shall also include placement agents and unregulated placement agents.
(b) "Executive agency lobbyist" does not include an elected or appointed officer
or employee of a federal or state agency, state college, state university, or
political subdivision who attempts to influence or affect executive agency
decisions in his or her fiduciary capacity as a representative of his or her
agency, college, university, or political subdivision;

(a) "Executive agency lobbying activity" means contacts made to promote,
advocate, or oppose the passage, modification, defeat, or executive approval
or veto of any legislation or otherwise influence the outcome of an executive
agency decision by direct communication with an elected executive official,
the secretary of any cabinet listed in KRS 12.250, any executive agency
official whether in the classified service or not, or a member of the staff of any
one of the officials listed in this paragraph.

(b) "Executive agency lobbying activity" does not include any of the following:

1. The action of any person having a direct interest in executive agency
decisions, if the person acting under Section 1 of the Kentucky
Constitution, assembles together with other persons for their common
good, petitions any person listed in paragraph (a) of this subsection for
the redress of grievances or other proper purposes;

2. Contacts made for the sole purpose of gathering information contained
in a public record;

3. Appearances before public meetings of executive agencies;

4. News, editorial, and advertising statements published in newspapers,
journals, or magazines, or broadcast over radio or television;

5. The gathering and furnishing of information and news by bona fide
reporters, correspondents, or news bureaus to news media described in
subparagraph 4. of this paragraph;

6. Publications primarily designed for, and distributed to, members of bona
fide associations or charitable or fraternal nonprofit corporations;

7. Professional services in preparing executive agency decisions, preparing arguments regarding executive agency decisions, or in advising clients and rendering opinions regarding proposed or pending executive agency decisions, if the services are not otherwise connected to lobbying; or

8. Public comments submitted to an executive agency during the public comment period on administrative regulations or rules;

(11) "Executive agency official" means an officer or employee of an executive agency whose principal duties are to formulate policy or to participate directly or indirectly in the preparation, review, or award of contracts, grants, leases, or other financial arrangements with an executive agency;

(12) "Aggrieved party" means a party entitled to resort to a remedy;

(13) "Elected executive official" means the Governor, Lieutenant Governor, Secretary of State, Auditor of Public Accounts, State Treasurer, Attorney General, and Commissioner of Agriculture;

(14) "Person" means an individual, proprietorship, firm, partnership, limited partnership, joint venture, joint stock company, syndicate, business or statutory trust, donative trust, estate, company, corporation, limited liability company, association, club, committee, organization, or group of persons acting in concert;

(15) "Staff" means any employee of the office of the Governor, or a cabinet listed in KRS 12.250, whose official duties are to formulate policy and who exercises administrative or supervisory authority, or who authorizes the expenditure of state funds;

(16) "Real party in interest" means the person or entity on whose behalf an executive agency lobbyist is acting, if that person or entity is not the employer of the executive agency lobbyist;

(17) "Substantial issue" means contacts which are intended to influence a decision
that involves one or more disbursements of state funds in an amount of at least five
thousand dollars ($5,000) per year, or any budget provision, administrative
regulation or rule, or legislative matter, or other public policy matter that
financially impacts the executive agency lobbyist or his or her employer;

"Placement agent" means an individual or firm who is compensated or hired
by an employer or other real party in interest for the purpose of influencing an
executive agency decision regarding the investment of the Kentucky Retirement
Systems or the Kentucky Teachers' Retirement System assets; and

"Unregulated placement agent" means a placement agent who is prohibited by
federal securities laws and regulations promulgated thereunder from receiving
compensation for soliciting a government agency.

Section 9. KRS 11A.211 is amended to read as follows:

(1) Each executive agency lobbyist, employer, and real party in interest shall file with
the commission within ten (10) days following the engagement of an executive
agency lobbyist, an initial registration statement showing all of the following:

(a) The name, business address, and occupation of the executive agency lobbyist;
(b) The name and business address of the employer and of any real party in
interest on whose behalf the executive agency lobbyist is acting, if it is
different from the employer. However, if a trade association or other
charitable or fraternal organization that is exempt from federal income
taxation under Section 501(c) of the Internal Revenue Code is the employer,
the statement need not list the names and addresses of every member of the
association or organization, so long as the association or organization itself is
listed;
(c) A brief description of the executive agency decision to which the engagement
relates;
(d) The name of the executive agency or agencies to which the engagement
relates;

(e) Certification by the employer and executive agency lobbyist that the information contained in the registration statement is complete and accurate;

(f) Compensation paid to or received by each executive agency lobbyist, by each employer, and real party in interest as part of the engagement; and

(g) Certification that the employer and agent have complied with KRS 11A.236.

(2) In addition to the initial registration statement required by subsection (1) of this section, each executive agency lobbyist, employer, and real party in interest shall file with the commission, not later than the last day of July of each year, an updated registration statement that confirms the continuing existence of each engagement described in an initial registration statement, that lists the specific executive agency decisions the executive agency lobbyist sought to influence under the engagement during the period covered by the updated statement, and the compensation paid to or received by each executive agency lobbyist, by each employer, and real party in interest as part of the engagement, and with it any statement of expenditures required to be filed by KRS 11A.216 and any details of financial transaction required to be filed by KRS 11A.221.

(3) Compensation paid under subsection (1)(f) of this section shall be reported after it is received by, or paid to, each executive agency lobbyist, employer, and real party in interest as determined by the terms of the engagement, and shall be listed by the amount paid or received, the intervals on which the payment is paid or received, and shall include any other compensation received or paid as part of the engagement.

(4) If an executive agency lobbyist is engaged by more than one employer, the executive agency lobbyist shall file a separate initial and updated registration statement for each engagement and list compensation paid to or received by each executive agency lobbyist, by each employer, and real party in interest as...
part of the engagement. If an employer engages more than one (1) executive agency lobbyist, the employer shall file only one (1) updated registration statement under subsection (2) of this section, which shall contain the information required by subsection (2) of this section regarding all executive agency lobbyists engaged by the employer.

(5) (4) (a) A change in any information required by subsection (1)(a), (b), (c), (d), or (2) of this section shall be reflected in the next updated registration statement filed under subsection (2) of this section.

(b) Within thirty (30) days following the termination of an engagement, the executive agency lobbyist who was employed under the engagement shall file written notice of the termination with the commission.

(6) (5) Each employer of one (1) or more executive agency lobbyists, and each real party in interest, shall pay a registration fee of five hundred dollars ($500) upon the filing of an updated registration statement. All fees collected by the commission under the provisions of this subsection shall be deposited in the State Treasury in a trust and agency fund account to the credit of the commission. These agency funds shall be used to supplement general fund appropriations for the operations of the commission and shall not lapse. No part of the trust and agency fund account shall revert to the general funds of this state.

(7) (6) Upon registration pursuant to this section, an executive agency lobbyist shall be issued a card annually by the commission showing the executive agency lobbyist is registered. The registration card shall be valid from the date of its issuance through the thirty-first day of July of the following year.

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

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

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

Executive agency officials may require certification from any person seeking
the award of a contract, grant, lease, or financial arrangement that the person, his or
her employer, and any real party in interest are in compliance with this section.
For purposes of KRS 11A.201 to 11A.246, the term "executive agency lobbyist" does not include a person acting to promote, oppose, or otherwise influence the outcome of a decision of the Cabinet for Economic Development or any board or authority within or attached to that cabinet relating to the issuance or award of a bond, grant, lease, loan, assessment, incentive, inducement, or tax credit pursuant to KRS 42.4588, 103.210, Chapter 154, or Chapter 224A, or otherwise relating to any other component of an economic incentive package.

Notwithstanding subsection (1), before any board or authority within or attached to the Cabinet for Economic Development takes final action on any contract or agreement by which any bond, grant, lease, loan, assessment, incentive, inducement, or tax credit is awarded, the beneficiary of an economic incentive package shall file with the approving board or authority a disclosure statement which shall contain:

(a) The identity of the beneficiary of an economic incentive package and any person employed to act on its behalf in its dealings with the Cabinet for Economic Development or any board or authority within or attached to that cabinet regarding the matters to which the contract or agreement refers; and

(b) The details of any financial transaction as defined in KRS 11A.201(6)(5)(a) between the beneficiary or any other person listed as an employee or agent of the beneficiary as required by paragraph (a) of this subsection and any agent or public servant of the Cabinet for Economic Development, any member of any board or authority within or attached to that cabinet, or any other public servant involved in the negotiation of the economic incentive package.

After final action by the board or authority, the Cabinet for Economic Development shall file the disclosure statement described in subsection (2) of this section with the Executive Branch Ethics Commission, but the cabinet may delete information identifying the beneficiary of the economic-incentive package if the cabinet believes that identification would damage economic development.
(4) No beneficiary of an economic incentive package as referred to in this section shall engage any person to influence decisions of the Cabinet for Economic Development or the approving board or authority for compensation that is contingent in any way on the outcome of the decisions of the cabinet or the approving board or authority regarding contracts or agreements specified in subsection (2) of this section, and no person shall accept any engagement to influence these decisions or conduct lobbying activities related to these decisions for compensation that is contingent in any way on the outcome of the decisions of the cabinet or the approving board or authority regarding these contracts or agreements.

(5) Subsection (4) of this section does not prohibit, and shall not be construed to prohibit, any person from compensating that person's sales employees pursuant to any incentive compensation plan, such as commission sales, if the incentive compensation plan is the same plan used to compensate similarly-situated sales employees who are not engaged by the beneficiary of an economic incentive package in activities and functions referred to in this section.