

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

FILED SENATE  
Mar 29, 2017  
S.B. 512  
PRINCIPAL CLERK

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SENATE BILL DRS15117-ST-27B (03/16)

Short Title: Stop the Revolving Door.

(Public)

Sponsors: Senators Chaudhuri and Tarte (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROHIBIT THE STATE FROM CONTRACTING WITH CONTRACTORS  
3 WHO UTILIZE FORMER STATE EMPLOYEES IN THE ADMINISTRATION OF  
4 STATE CONTRACTS WITHIN A ONE-YEAR WAITING PERIOD AFTER A STATE  
5 EMPLOYEE HAS TERMINATED EMPLOYMENT WITH THE STATE AND TO  
6 STRENGTHEN PUBLIC CONFIDENCE IN GOVERNMENT BY EXTENDING THE  
7 REVOLVING DOOR PERIOD.

8 The General Assembly of North Carolina enacts:

9 SECTION 1. Article 3 of Chapter 143 of the General Statutes is amended by  
10 adding a new section to read:

11 "**§ 143-59.5. Contracts with vendors that hire former State employees.**

12 (a) Ineligible Vendors. – The Secretary of Administration and other entities to which  
13 this Article applies shall not contract for goods or services with a vendor that employs or  
14 contracts with a person who is a former State employee and uses that person in the  
15 administration of a contract with the State.

16 (b) Vendor Certification. – The Secretary of Administration shall require each vendor  
17 submitting a bid or contract to certify that the vendor will not use a former State employee in  
18 the administration of a contract with the State in violation of the provisions of subsection (a) of  
19 this section.

20 (c) Violations. – Sanctions for violations of this section are as follows:

21 (1) A violation of the provisions of this section shall void the contract.

22 (2) No vendor who is convicted of a violation of the provisions of this section  
23 shall be allowed to submit a bid under this Article for a period of two years  
24 from the date of conviction.

25 (3) In addition to the other penalties set forth in this subsection, the Secretary of  
26 Administration may levy civil fines for a violation of any provision of this  
27 section up to five thousand dollars (\$5,000) per violation.

28 (d) Definitions. – As used in this section, the following terms mean:

29 (1) Administration of a contract. – Oversight of the performance of a contract,  
30 authority to make decisions regarding a contract, interpretation of a contract,  
31 or participation in the development of specifications or terms of a contract or  
32 in the preparation or award of a contract.

33 (2) Former State employee. – A person who, for any period within the preceding  
34 one year, was employed as an employee of the State or was an independent  
35 contractor of the State by the State agency for which the contract applies,  
36 who in the one year immediately preceding termination of State



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1 employment, participated personally in either the award or management of a  
2 State contract with the vendor, or made regulatory or licensing decisions that  
3 directly applied to the vendor."

4 **SECTION 2.** G.S. 120C-304 reads as rewritten:

5 **"§ 120C-304. Restrictions.**

6 (a) No legislator or former legislator may register as a lobbyist under this Chapter:

7 (1) While in office.

8 (2) Before ~~the later of~~ the close of session as set forth in G.S. 120C-100(a)(4)b.1  
9 in which the legislator served or six months was elected or appointed, or one  
10 year after leaving office-office, whichever is later.

11 (b) No public servant or former public servant as defined in G.S. 138A-3(30)a. may  
12 register as a lobbyist under this Chapter while in office or ~~within six months~~ for a period of one  
13 year after leaving office.

14 (c) No public servant or former public servant as defined in G.S. 138A-3(30)c. may  
15 register as a lobbyist under this Chapter ~~within six months~~ for a period of one year after  
16 separation from employment as a public servant. No other employee of any State agency may  
17 register as a lobbyist under this Chapter to lobby the State agency that previously employed the  
18 former employee ~~within six months~~ for a period of one year after voluntary separation or  
19 separation for cause from that State agency. State agencies shall give written notice and  
20 explanation to all employees serving in a position to which this subsection applies in the  
21 following circumstances:

22 (1) Upon hiring, promotion, or transfer into the relevant position.

23 (2) At the time the employee's duties are changed in such a way as to subject  
24 that employee to this subsection.

25 (3) Upon departure from the relevant position.

26 (d) No individual registered as a lobbyist under this Chapter shall serve as a treasurer as  
27 defined in G.S. 163-278.6(19) or an assistant campaign treasurer for a political committee for  
28 the election of a member of the General Assembly or a Constitutional officer of the State.

29 (e) A lobbyist shall not be eligible for appointment by a State official to, or service on,  
30 any body created under the laws of this State that has regulatory authority over the activities of  
31 a person or governmental unit that the lobbyist currently represents or has represented within  
32 120 days after the expiration of the lobbyist's registration representing that person or  
33 governmental unit. Nothing herein shall be construed to prohibit appointment by any unit of  
34 local government.

35 (f) Any appointment or registration made in violation of this section shall be void."

36 **SECTION 3.** This act becomes effective October 1, 2017, and applies to contracts  
37 entered into on or after that date.