

April 13, 2009

## POLICY ALERT

### REVISIONS TO ILLINOIS PAY-TO-PLAY

Recently, Illinois Gov. Pat Quinn issued Executive Order 09-09 repealing former Gov. Rod Blagojevich's Executive Order 3. Executive Order 3 had significantly expanded the classes of individuals and entities covered under the pay-to-play rules. The repeal of the executive order leaves in place the pay-to-play statute in Illinois.

#### BACKGROUND

In September 2008, then-Gov. Blagojevich vetoed pay-to-play legislation passed by the Illinois General Assembly and issued Executive Order 3, which enacted broader pay-to-play restrictions than the vetoed legislation. In response, the General Assembly passed a new pay-to-play statute overriding the governor's veto. The result of the legislation created incongruities in key definitions of who was subject to the restrictions.<sup>1</sup>

#### CURRENT LAW

The definition of a "covered recipient" is limited to the governor, lieutenant governor, attorney general, secretary of state, comptroller, treasurer and declared candidates for those offices. Blagojevich's executive order had included members of, and candidates for, the Illinois General Assembly and any committee of a political party represented by those individuals.

"Covered donors" includes contracting business entities, affiliates of the contracting business entity and affiliated persons, including anyone with ownership interest and executive employees, their spouse and minor children. Executive employees of affiliates, their spouses and children, previously covered under Executive Order 3, are no longer considered "covered donors" under the statute.

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<sup>1</sup> See Akin Gump alert, "[New Illinois Pay-to-play Rules](#)" October 2, 2008.

Additionally, Gov. Quinn has appointed the Illinois Reform Commission to review current practices and propose reforms in several areas, including pay-to-play, campaign finance, procurement, enforcement and transparency. Their preliminary recommendations include extending the pay-to-play restrictions on contributions from contractors who have or seek state contracts of \$50,000 or more to state constitutional or legislative campaigns. This proposal would extend the definition of a covered recipient to candidates for, and members of, the Illinois General Assembly.

## REGISTRATION AND REPORTING

Registration and reporting requirements required by the statute have not been altered or affected by rescission of the executive order.

## CONTACT INFORMATION

If you have questions about this alert, please contact—

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