

BEFORE THE ARKANSAS ETHICS COMMISSION

**FILED**

**In Re: Eli Lilly & Co.  
Respondent**

**Case No. 2003-CM-011**

JUL 22 2003  
ARKANSAS ETHICS  
COMMISSION  
BY                     

**FINAL ORDER**

Came for a final adjudication hearing on July 18, 2003, the complaint filed in this matter against the Respondent, Eli Lilly & Co., and based upon due consideration of the evidence presented at that hearing, the Arkansas Ethics Commission (hereinafter the "Commission") hereby makes the following findings of fact and conclusions of law:

1. The Commission has jurisdiction over this matter pursuant to Ark. Code Ann. § 7-6-218.
2. Eli Lilly & Co. was a registered lobbyist who lobbied members of the General Assembly at all times relevant to this case. On January 6, 2003, Eli Lilly & Co. filed a Lobbyist Registration Form for calendar year 2003 with the Secretary of State.
3. Pursuant to Ark. Code Ann. § 21-8-602(a), a lobbyist who lobbies public servants of state government is required to register and make other filings with the Secretary of State.
4. Pursuant to Ark. Code Ann. § 21-8-603(a)(2), a registered lobbyist who lobbies members of the General Assembly is required to file a monthly activity report for any month in which the General Assembly is in session. Such reports are due within ten (10) days after the end of each month.

5. In accordance with Ark. Code Ann. § 21-8-603(a)(2), the Respondent was required to file monthly lobbyist activity reports for the months of January, February, March, and April of 2003.

6. On May 7, 2003, the Commission filed a complaint against Eli Lilly & Co. based upon its apparent failure to timely file monthly lobbyist activity reports for the months of January, February, and March of 2003. That same day, the Commission sent Eli Lilly & Co. a letter, via certified mail with a return receipt requested, to notify it that an investigation was being commenced regarding the issue of whether or not it violated Ark. Code Ann. § 21-8-603(a)(2) by failing to timely file monthly lobbyist activity reports for the months of January, February, and March of 2003.

7. On May 16, 2003, staff presented the preliminary results of its investigation to the Commission and was instructed to complete the investigation and to expand the scope of the investigation to include the issue of whether or not Eli Lilly & Co. violated Ark. Code Ann. § 21-8-603 by failing to file a lobbyist activity report for the month of April of 2003. Eli Lilly & Co. was notified of the Commission's decision by letter dated May 20, 2003, which was sent by first class mail and certified mail with a return receipt requested. In addition, said letter notified Eli Lilly & Co. that the matter would be presented to the Commission at its regular monthly meeting on June 20, 2003, for purposes of determining whether or not probable cause existed for the finding of a violation.

8. On June 20, 2003, the Commission considered the results of staff's investigation and found, by a vote of 3-0, that probable cause existed for finding that Eli

Lilly & Co. violated Ark. Code Ann. § 21-8-603 by failing to timely file lobbyist activity reports for the months of January, February, March, and April of 2003.

9. On June 20, 2003, staff sent a letter to Eli Lilly & Co., via first class mail and certified mail with a return receipt requested, notifying it of the Commission's finding of probable cause. In accordance with the Commission's Rules of Practice and Procedure, said letter contained a written Offer of Settlement proposing the issuance of a Public Letter of Caution and a \$150 fine. Eli Lilly & Co. was given ten (10) days to accept the written Offer of Settlement or request a public hearing before the Commission.

10. On July 8, 2003, staff sent a letter to Eli Lilly & Co., via first class mail, notifying it that a final adjudication hearing would be held on July 18, 2003. Said letter contained a separate written notice of final adjudication hearing providing the information required in Ark. Code Ann. § 25-15-208(a)(2).

11. Eli Lilly & Co. did not appear at the final adjudication hearing which was held on July 18, 2003. Said hearing was conducted in accordance with Ark. Code Ann. § 25-15-213.

12. Upon considering the evidence presented at the hearing, the Commission found, by a vote of 5-0, that Eli Lilly & Co. violated Ark. Code Ann. § 21-8-603 by failing to timely file lobbyist activity reports for the months of January, February, March, and April of 2003. The evidence showed that Eli Lilly & Co. filed the reports in question on May 23, 2003, making the reports 102 days late, 74 days late, 43 days late, and 11 days late, respectively.

13. With respect to said violation, the Commission determined that Eli Lilly & Co. should be issued a Public Letter of Warning and fined \$50. Said fine should be paid within thirty (30) days from the date of this Order.

IT IS, THEREFORE, CONSIDERED, DECIDED and ORDERED by the Commission that the Respondent, Eli Lilly & Co., shall be issued a Public Letter of Warning and is hereby fined \$50 for failing to timely file lobbyist activity reports for the months of January, February, March, and April of 2003, and that said fine shall be paid within thirty (30) days from the date of this Order.

IT IS SO ORDERED this 28 day of July, 2003.



JACK KEARNEY, Chairman  
Arkansas Ethics Commission