

**BLUE RIBBON TASK FORCE ON ETHICS ORDINANCE  
MEETING NOTES**

Monday, May 10

Room 202-A, Health Building

**Attending:** Councilmember Ken Yeager (Chair), Councilmember Cindy Chavez, Vice Mayor Pat Dando, Councilmember Chuck Reed

**Staff:** Rick Doyle (City Attorney), Lee Price (City Clerk), Norm Sato (City Attorney's Office), Deanna Santana (City Manager's Office), Peter Jensen (City Manager's Office)

**DISCUSSION**

The Task Force discussed upcoming meetings. Vice Mayor Dando suggested that another meeting be added to the schedule before July in order to allow interested members of the public to respond to a draft lobbyist ordinance. Chair Yeager agreed, and suggested the Task Force also use that meeting to consider its work plan for the remainder of the year.

The Task Force then discussed various issues related to the lobbyist ordinance, based on the May 8 memo from Chair Yeager.

**Overall Goals**

Councilmember Chavez supported including the idea of transparency in the goals, since it had been a common theme throughout the earlier meetings. Councilmember Reed suggested it could be incorporated into goal #2, possibly "In the spirit of open government and transparency . . .". Vice Mayor Dando mentioned she wanted to see the ordinance make a distinction between lobbyists and consultants, but agreed that the definition of a lobbyist might be an area where that could be covered.

**Definition of Local Governmental Lobbyist**

The following lists points of agreement based on the discussion (listed in order of appearance under "Language to Consider").

- The Attorney's Office will consider including a more specific definition of "a legislative or administrative action" to ensure that the definition covers any action of the City.
- The definition would be re-worded to reflect the State's definition, which defines a lobbyist as an individual who is compensated and who communicates directly with state legislative or agency officials to influence a decision on behalf of their employer or client.

This represents the Task Force's conclusion that volunteers (such as neighborhood association members, members of the League of Women Voters and other such

groups) and homeowners should not be required to register. Other ideas advanced on that subject included:

- people doing their own house remodel should not qualify;
  - State FPPC language or language in the State code regarding conflicts of interest (Government Code 1090) might be useful regarding financial gain;
  - groups volunteering related to a neighborhood improvement issue should not be covered;
  - groups that pay an executive director should be required to register;
  - consider language that would avoid covering everyone who applied for CDBG or HNVF money;
  - small non-profits or businesses interested in non-controversial issues such as conforming use permits should not be covered;
  - need to consider where real estate brokers, People Acting in Community Together, and MACSA would fit.
- The definition of a lobbyist firm would be changed to reflect any consideration (rather than a threshold amount), and to clarify that the consideration be for lobbying.
  - The language regarding an expenditure lobbyist was acceptable to the Task Force, although there was some discussion of looking at State FPPC definitions to see if there might be any language that would be useful to add.

### **Exceptions**

- In item B, “paid advertisements” should be deleted, since they might qualify someone as an expenditure lobbyist.
- In item E, #3 (contacts with employees and agents of the city manager or executive director of the Redevelopment Agency) should be omitted.

### **Registration with City Clerk**

The following lists points of agreement based on the discussion (listed in order of appearance under “Language to Consider”).

- Items #1b, 2b, and 3b should read, “A brief description of the items of municipal, legislative, or administrative action the lobbyist is seeking to influence.”
- Item 2 should include client information, unless it is otherwise reported by individual lobbyists within the firm.

### **Registration**

- The language should also include a requirement that lobbyists register prior to making contact with City officials.

### **Additional Reporting Information**

The Task Force agreed that all of these requirements should be written to be consistent with FPPC requirements, so that lobbyists would be able to comply with State and City requirements without having to use different tracking methods.

- Item #1 should include any independent expenditures made to benefit a City official or candidate for City office. In this regard, City candidates should post their FPPC reports on line (both for campaign committees and friends accounts). There was also agreement that as much reporting as possible (both by candidates and lobbyists) should be on line.
- Item #2 should be expanded to cover contributions made at the behest of an elected City official for elections in other jurisdictions (federal, state, and county) as well. Further, it was requested that “at the behest” should be clearly defined, and defined as broadly as possible.
- Item #4 should include contributions to any organization, whether or not it is a nonprofit or charitable organization, and the \$1,000 aggregate should be calculated on a calendar year basis, in order to be consistent with State law.
- Related to item #5, the Task Force discussed whether there should be rules for people who serve in some capacity on a campaign for someone, then later lobby that person once elected. The consensus was that there should be no prohibition, but that such relationships should be disclosed and be transparent. The Task Force also agreed that this issue might be one to consider in the development of a Code of Ethics.

### **Contacts made**

Councilmember Chavez expressed nervousness about this area, since officeholders have so many conversations with people. Chair Yeager suggested that staff contact Los Angeles about their recently revised regulations to get information on those that are causing problems. Councilmember Reed suggested that Councilmembers’ calendars be subject to Public Records Act requests. Chair Yeager reminded the Task Force that any regulations in this area should respect Overall Goals #4 and 5 (ease of doing business with the City and bringing about clarity and certainty).

The Task Force ultimately agreed that reporting should include the client, the issue, and who was contacted (reporting standard should be individual Councilmembers, departments as a whole, and boards and commissions as a whole), without a need to report on the number or specific details of such contacts.

### **Registration Fee**

Staff was directed to analyze fee amounts at a cost recovery level, and report back to the Task Force.

### **Reporting of Activity Expenses**

It was suggested that this section be incorporated into the “Additional Reporting Information” section. It is also possible that this activity is covered within City and State gift laws.

### **Noncompliance – Order to show cause**

The Task Force agreed that there should be a clear process for community complaints, and that the City Attorney could be given more responsibility for enforcement of the lobbyist ordinance. The City Attorney also agreed to consider whether penalties could be increased to the full amount of the fees a lobbyist earned in connection with a violation, and to provide more information to the Task Force on the importance of the language that allows penalties only if a lobbyist “knowingly violates the Lobbyist Ordinance.”

### **Designated employees**

The Task Force concluded that the ordinance should apply to all City employees, rather than only those designated under the Political Reform Act of 1974. It was also suggested that immediate family be considered as well, if there is an attempt to influence policy.

### **Various prohibitions (Section 12.12.080 through 12.12.120)**

Regarding the “Additional prohibitions to consider,” the following discussion took place:

- The suggestion to prohibit a lobbyist from performing services for a client on a matter which the lobbyist had performed work for the City would expand the restriction beyond the revolving door ordinance’s one-year limit. The provision would also apply to someone hired by the City for a particular project or issue.
- It was suggested that the prohibition on lobbyists contacting City officials regarding an RFP should begin when the RFP is issued, and end when a recommendation has been made to Council.

### **Additional options to consider**

- Regarding the second bullet (prohibition on recommending lobbyists), the language was amended to read, “. . . City legislative or administrative action that they should hire a lobbyist.” It was also suggested that this prohibition be applied to developers and contractors as well.
- It was suggested that a bullet should be added regarding the establishment of a Code of Ethics, and that lobbyists should be required to certify that they had read it.

### **Next Steps**

The City Attorney estimated that a draft could be ready for review within two weeks. The Task Force discussed when to set its next meeting, with the goal of allowing sufficient time for public reaction to the draft, but presenting a revised ordinance to the Council for consideration prior to July.

### **Public Comment**

Virginia Holtz of the League of Women Voters suggested that a packet be developed that would be distributed to all currently registered lobbyists and to new registrants. Regarding contacts that should be reported, she suggested including City-wide task forces should be included, such as the Coyote Valley Task Force. She emphasized the importance of getting buy-in from everyone involved, and encouraged the Task Force to consider how to get it.