

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

Tuesday, June 22

CH - Room 204 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), Deanna Santana (City Manager's Office), Norm Sato (City Attorney's Office), Peter Jensen (City Manager's Office).

**CONTINUED DISCUSSION AND DELIBERATIONS ON DRAFT LOBBYIST
ORDINANCE**

Chair Yeager provided an introduction and reported that his goal for the meeting was to take additional public testimony on the draft and to then forward to the City Council the draft ordinance for their consideration at the June 29th meeting.

Chief Deputy City Attorney Sato presented an overview of the draft ordinance and summarized changes to the draft made to-date. Brief questions followed by members of the public.

Public Comments:

- **Ross Signoirino, resident** commented in support of the revised regulations and urged the Task Force to develop the right conclusions.
- **Patricia Gardner, Silicon Valley Council of Non-Profits** mentioned she still had concerns about who will be required to do the reporting when a contribution or donation is solicited "at the behest of" a non-profit. She indicated that she had contacted the State Fair Political Practices Commission and was told that it is the elected officials' responsibility to disclose this information. She suggested that the City match the State in what is required.
- **Bob Brownstein, representing himself (employed by Working Partnerships USA)** noted that he appreciates the many changes to this version of the draft but feels that there are still fundamental problems with the regulations:
 - Powerful people will be unregulated while those at the grassroots level will be regulated; secret arrangements will be more likely, not less likely;
 - Taxpayer groups and/or community groups that use consultant services will not be able to meet with Council Members;
 - The regulations are unconstitutional and will criminalize free speech

- **Yolande Reynolds, resident**, concurred with Mr. Brownstein’s comments and added that other methods of compensation besides a financial payment should be reportable as well.
- **Jim Cunneen, President of the Chamber of Commerce**, submitted written communication (on file in the Office of the City Clerk) summarizing several concerns:
 - Clarify Prohibition “D”
 - Costs of compliance
 - Put it on-line for easy access
 - Clarify “at the behest of”; the burden of the filing should be on the elected officials.
- **Arbie Darnel, Vice President of the North Willow Glen Neighborhood Assn.**, expressed appreciation to the Task Force because some legislation is needed to ensure that there is an equal voice for people without financial interests and/or backing. She thanked the Task Force for exception “j” because it exempts community groups.
- **Kathy Chavez Napoli, Santa Clara business owner**, submitted written comments and suggestions for changes (on file in the Office of the City Clerk). She argued that there has not been enough time for the public to review the proposed draft and suggested that the Task Force postpone recommending adoption until more input has been received.
- **Philip Bump, South Bay Labor Council**, noted that he was pleased to see the exception for neighborhood associations but added that he remains concerned that the “big bus is still getting a pass”.
- **Pat Sasado, NAIOP**, concurred with statements presented by Mr. Cunneen and added that Prohibition “D” places limitations on in-house lobbyists.
- **Dale Warner, resident**, submitted written comments expressing concerns about several definitions included in the Draft (on file in the Office of the City Clerk). He, too, argued that not enough time was provided to the public to comment.
- **Virginia Holtz, League of Women Voters**, recommended that the burden of disclosure be placed on those asking for the money and, further, that reporting periods correlate with the election cycle.
- **Jerry DeYoung, planning and engineering business owner**, asked the Task Force to make it extremely clear what is expected by “brief description of” (as it relates to the type of business and/or activities). He asserted that a large number of people wouldn’t understand that “lobbyist” applies to them, which might result in them unknowingly violating the ordinance. He also spoke in favor of comments expressed by the Chamber of Commerce.
- **Tom Armstrong, HMM Engineers**, provided several suggestions/comments:
 - Insert “20 hours by client”
 - Exception “D”; strike “not as part of, or”

- His interpretation: a citizen can deceive but a lobbyist cannot
- Clarify “administrative action”
- It’s common to have City and private clients, but he objects to disclosing financial information about a private client

Task Force Deliberations:

City Attorney Doyle responded to questions raised during public testimony. Task Force questions and in-depth discussion ensued. The Task Force agreed on the following changes to the Draft:

<u>Section</u>	<u>Title</u>	<u>Change</u>
12.12.110	Activity Expense	Add domestic partners to list of people benefiting from payments
12.12.300(K)	Exceptions	Insert "Persons whose communications <u>are solely</u> related to . . ."
12.12.300(L)	Exceptions	Add a new section based on SJSU suggestion regarding activity relating to existing City contracts
12.12.420 (all)	Additional Required Info & Disclosures	All activity periods upon which to report should be the preceding calendar quarter, try to make requirements track with State law to the greatest extent possible
12.12.420(D)	Additional Required Info & Disclosures	Expand definition to include fundraising for federal and state candidates or political parties
12.12.420(G)	Additional Required Info & Disclosures	Insert language requiring reporting on the number of meetings held using ranges (1, 2-5, 6-10 were suggested ranges)
12.12.510(C)	Prohibitions	Insert " <u>intentionally</u> deceive or <u>intentionally</u> attempt to deceive a City official . . ."
12.12.510(H)	Prohibitions	Limit prohibited contacts to members of the evaluation team
12.12.530(B)	Compliance and Training	Ensure that new City officials receive training as quickly as possible (could be handled in procedures, etc. rather than in ordinance language)
12.12.550	Penalties	Insert "civil penalties of up to five thousand dollars (\$5,000) <u>or the amount of the compensation received for the lobbying activity, whichever is greater,</u> for each violation . . ."

On a motion by Task Force Member Dando, seconded by Task Force Member Reed, the Task Force accepted the ordinance as drafted, with the changes noted, and agreed to recommend to the Council that the ordinance be adopted; motion passed 4:0.

Task Force Member Chavez voiced concerns about whether or not there had been sufficient time for public input. Brief discussion ensued. The Task Force mutually agreed to proceed with taking their report to the City Council on June 29th and recommending adoption, but if the agenda was too heavy and more time was needed, a continuance might be appropriate.

At 9:15 p.m. the meeting was adjourned.