



Memorandum

TO: RULES AND OPEN
GOVERNMENT COMMITTEE

FROM: Mayor Chuck Reed

SUBJECT: 501(c)(3) NONPROFIT
LOBBYING REFERRAL

DATE: September 16, 2010

Approved

Chuck Reed

Date 9/16/10

RECOMMENDATION

That the City Clerk and City Attorney conduct a stakeholder outreach meeting for 501(c)(3) nonprofit organizations regarding potential changes to the lobbyist ordinance.

BACKGROUND

On May 5, 2010, the Rules and Open Government Committee discussed reports from the Elections Commission and the Biennial Ethics Review Panel on the issue of 501(c)(3) nonprofit organizations and the lobbyist ordinance. In particular, the Elections Commission recommended amendments to the ordinance to require 501(c)(3) nonprofit organizations to register as in-house lobbyists. On this matter, Rules asked staff "to return with more information about the reporting requirements and thresholds, as well as the number and type of nonprofits that actually register and report in other comparable cities with lobbying laws."

This recommendation would add to the original referral. In 2007, the last time the lobbyist ordinance was amended, a public workshop was conducted for those potentially affected by the new ordinance. Before the current referral returns, it seems that a similar meeting for 501(c)(3) organizations to clarify the lobbyist ordinance, gather input on the Elections Commission's recommendation, and address any concerns, would be beneficial to this Committee before it makes a decision.

The agenda of the stakeholder meeting should include:

1. An explanation of what type of actions constitute lobbying activity, (influencing or attempting to influence a city official or city official-elect with regard to a legislative or administrative action of the city or redevelopment agency).
2. An explanation of what types of actions are exempt. For example: publicly appearing at a public meeting or other official proceeding open to the public, responding to a request for proposals or qualifications, and communications with city officials solely in connection with the administration of an existing contract or agreement.

3. An explanation that the CDBG, BEST, and Healthy Neighborhoods processes are activity exempted from the lobbyist ordinance.

4. Instead of the Elections Commission recommendation to require 501(c)(3) nonprofit organizations to register as in-house lobbyists, whether an exemption similar to the one currently used in the City of Los Angeles would be appropriate. (501(c)(3) organizations that receive government funding and provide direct representation services to indigent persons free of charge are exempt from registration unless they are attempting to influence a decision regarding funding that the organization seeks from the city on its own behalf.)