

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

..title

AN ORDINANCE relating to lobbying regulations; expanding lobbying regulations to cover paid lobbyists who attempt to influence administrative rulemaking by the executive branch; and amending Chapter 2.06 of the Seattle Municipal Code.

..body

~~WHEREAS, ...; and~~

~~WHEREAS, ...; and~~

~~WHEREAS, ...; NOW, THEREFORE,~~

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Chapter 2.06 of the Seattle Municipal Code, enacted by Ordinance 122645 and last amended by Initiative 122, is amended as follows:

CHAPTER 2.06 LOBBYING REGULATIONS

2.06.005 Statement of ~~((Policy-))~~ policy

It is ~~((the))~~ City policy ~~((of the City of Seattle))~~ to encourage the full participation and expression of interest of all of the people of the City ~~((of Seattle))~~ in the legislative process. The provisions of this ~~((chapter))~~ Chapter 2.06 shall be construed to promote full disclosure of lobbying in order to protect the openness and integrity of the legislative process while preserving an individual's right to organize and petition the government.

2.06.010 Definitions ~~((;))~~

For the purposes of this Chapter 2.06, the following terms apply:

~~-(A-)~~ "City" means ~~((the))~~ The City of Seattle.

~~((B-))~~ "City officer or employee or agent" means every person elected or appointed to any City office or position of employment, including volunteers performing work for the City, when

1 acting within the scope of their City duties, and contract workers and consultants when acting
2 within the scope of their contract with the City. The term also includes persons appointed to City
3 boards, commissions and committees when acting within the scope of their City duties,
4 regardless of whether those persons are paid by the City.

5 ~~((C.))~~ "Commission" means the Seattle Ethics and Elections Commission.

6 ~~((D.))~~ "Compensation" includes anything of economic value that is provided or promised
7 to a lobbyist or lobbying entity in return for lobbying. The term includes compensation for
8 preparation and planning activities, research and other background work that is intended, at the
9 time it is performed, for use in connection with lobbying.

10 ~~((E.))~~ "Executive Director" means the Executive Director of the ~~((Seattle Ethics and
11 Elections))~~ Commission or ~~((his or her))~~ designee.

12 ~~((F.))~~ "Expenditure" means anything of economic value that is provided, given, loaned, or
13 promised in furtherance of lobbying. The term includes expenditures for preparation and
14 planning activities, research, and other background work that is intended, at the time it is
15 performed, for use in connection with lobbying. The term also includes agreements to provide
16 things of economic value even when those agreements are unenforceable. Expenditures other
17 than money or its equivalent shall be valued according to their fair market value.

18 ~~((G.))~~ "Gift" means anything of value transferred or promised by one person to another
19 without consideration.

20 ~~((H.))~~ "Legislation" means any council bill, ordinance, resolution, ballot measure, or
21 charter amendment. The term also includes making, confirming, or rejecting appointments to
22 City positions. The term does not include quasi-judicial matters subject to the appearance of
23 fairness doctrine.

1 ~~((I. "Legislative Department Staff" means any City officer or employee or agent of the~~
2 ~~Legislative Department.~~

3 ~~F.)) "Lobby" and "lobbying" each mean communications with ((city council)) City~~
4 ~~Council members, ((legislative department staff,)) the ((mayor)) Mayor, ((or the mayor's staff))~~
5 ~~City officers or employees or agents either of the Legislative Department or working in the~~
6 ~~Mayor's office, a department director, or a deputy director or other employee who reports~~
7 ~~directly to a department director in an attempt to influence any of those individuals to develop,~~
8 ~~propose, draft, consider or reconsider, promote, adopt, enact, reject, take favorable action upon,~~
9 ~~approve, disapprove, veto, or fail to take action upon legislation ~~or rulemaking~~.~~

10 "Lobby" and "lobbying" do not include the following:

11 1. Communications or other actions by any City officer or employee or agent
12 acting within the scope of his or her employment authority or contract with the City;

13 2. Communications or other actions related to existing or proposed collective
14 bargaining agreement(s) with the City or other legislation ~~((which))~~ that could affect specific
15 existing or proposed collective bargaining agreements with the City;

16 3. Communications or other actions by members of the news media related to
17 news and feature reporting, commentary, and editorial opinion in a regularly-published
18 periodical, on television or radio, or on a regularly-maintained ~~((Internet))~~ internet website or
19 other means of electronic communication devoted to the dissemination of news or opinion and
20 not created solely to influence ~~((a.))~~ specific piece of legislation.

21 ~~((K.))~~ "Lobbying entity" means a law firm, consulting firm, public relations firm, or other
22 similar organization that engages in lobbying through its employees or agents.

1 ~~((L.))~~ "Lobbyist" means any individual who lobbies for compensation, except ~~((persons~~
2 ~~who are))~~ individuals reimbursed for minor incidental personal expenses.

3 ~~((M.))~~ "Lobbyist's employer" means any person who employs or compensates a lobbyist
4 or lobbying entity for lobbying to promote that person's interests.

5 ~~((N. "Mayor's Staff" means any City officer or employee or agent working in the Mayor's~~
6 ~~office.~~

7 ~~Θ.))~~ "Minor incidental personal expenses" means expenses actually incurred for lodging,
8 mileage, parking, meals, copying, telephone, and facsimiles, which expenses are directly related
9 to lobbying.

10 ~~((P.))~~ "Month" ~~((is))~~ means a calendar month.

11 ~~((Q.))~~ "Organizational member" includes a person as defined in this ~~((chapter,))~~ Chapter
12 2.06 but excludes individuals.

13 ~~((R.))~~ "Person" includes an individual, partnership, joint venture, public or private
14 corporation, association, federal, state or local governmental entity or agency however
15 constituted, candidate, committee, political committee, political party, executive committee
16 thereof, or any other organization or group of persons, however organized.

17 ~~((S.))~~ "Quarter" ~~((is))~~ means a calendar quarter, i.e., January through March, April
18 through June, July through September, and October through December.

19 ~~((T.))~~ "Year" means a calendar year.

20 **2.06.020 Registration of ~~((Lobbyists.))~~ lobbyists**

21 A. Before lobbying, or within 30 days after being employed as a lobbyist, whichever
22 comes first, a lobbyist shall register by filing with the Executive Director a lobbyist registration
23 statement, in such detail as the Commission shall by rule prescribe, showing:

1 1. ~~((His or her))~~ The lobbyist's name, permanent business address, business
2 telephone number, and business e-mail address;

3 2. The following information for each of the lobbyist's employers:

4 ~~((a) the))~~ a. The name, permanent business address, business telephone
5 number, business e-mail address, and occupation or business of the lobbyist's employer;

6 ~~((b) the))~~ b. The duration of the lobbyist's employment;

7 ~~((c) the))~~ c. The lobbyist's compensation for lobbying, and any
8 compensation for lobbying provided to a lobbying entity for the lobbyist's services, how much
9 ~~((he or she))~~ the lobbyist is to be paid for expenses, and what expenses are to be reimbursed;

10 ~~((d) whether))~~ d. Whether the person from whom the lobbyist receives
11 that compensation employs ~~((him or her))~~ the lobbyist solely as a lobbyist or whether ~~((he or~~
12 ~~she))~~ the lobbyist is a regular employee performing services ~~((for his or her employer))~~ that
13 include, but are not limited to, lobbying;

14 ~~((e) the))~~ e. The general subject or subjects ~~((of his or her lobbying))~~ and,
15 if ~~((known))~~ there is one, the piece of legislation ~~((on which he or she is))~~ related to the
16 lobbyist's lobbying, including council bill, ordinance, resolution, or initiative number, if
17 established;

18 ~~((f) if))~~ f. If the lobbyist receives compensation from a lobbying entity,
19 then the name of such entity; and

20 ~~((g) if))~~ g. If the lobbyist's employer is an entity (including, but not
21 limited to, a business or trade association) not exempted under Section 2.06.070, whose members
22 include businesses, groups, associations, or organizations or which as a representative entity
23 undertakes lobbying activities for businesses, groups, associations, or organizations:

1 ~~((i) the)~~ 1) The name and business address of each business or
2 trade association, or other organizational member of such entity; and

3 ~~((ii) the)~~ 2) The name of each person represented by such entity,
4 whose payments or other consideration paid to such entity for lobbying during either of the prior
5 two years have exceeded ~~((five hundred dollars))~~ \$500 or who has paid or is obligated to or has
6 agreed to make payments or other consideration exceeding ~~((five hundred dollars))~~ \$500 to such
7 entity for lobbying during the current year. ~~((Provided, that membership))~~ Membership fees,
8 dues, or other consideration paid to such an entity, but not provided for the specific purpose of
9 lobbying, shall not be regarded as consideration for lobbying under this subsection

10 2.06.020.A.2.g.2.

11 3. A written authorization from each of the lobbyist's employers confirming such
12 employment; and

13 4. The name, business address, business telephone number, and business e-mail
14 address of the person who will have custody of the accounts, bills, receipts, books, papers, and
15 documents required to be kept by Section 2.06.090(~~(; and)~~) .

16 B. Whenever a change, termination, or modification of the lobbyist's employment with a
17 lobbyist's employer occurs, or whenever there is a change in any of the information required to
18 be supplied by ~~((Subsection))~~ subsection 2.06.020.A ~~((of this section))~~, the lobbyist shall furnish
19 full information regarding the same within ~~((thirty))~~ 30 calendar days of such termination or
20 modification by filing with the Executive Director an amended registration statement.

21 C. ~~((Persons employed as lobbyists on the effective date of this chapter shall register~~
22 within 30 days of that effective date.)) On the date of registering and annually thereafter, if the
23 lobbyist's employment has not been terminated, a registered lobbyist will pay a registration and

1 reporting fee of \$500, except that the fee for a lobbyist representing exclusively a nonprofit
2 organization or nonprofit organizations will be \$XXX.-

3 **2.06.030 Reporting by (~~Lobbyists~~) lobbyists**

4 A. Each lobbyist not exempted under (~~(SMC)~~) Section 2.06.060 shall either sign or
5 certify and then file periodic reports of (~~(his or her)~~) the lobbyist's lobbying activities. (~~(Such~~
6 ~~reports must be signed or certified by the lobbyist.)~~) The reports shall be made in the form and
7 manner as prescribed by rule adopted by the Commission. The reports shall be filed within
8 (~~(fifteen)~~) 15 calendar days after the last day of the (~~(calendar)~~) quarter(~~(, except for the January~~
9 ~~report, which shall be filed within 31 calendar days after the last day of the calendar quarter)~~).
10 The (~~(January report shall cover the preceding year; the April, July and October)~~) reports shall
11 each cover the preceding (~~(calendar)~~) quarter.

12 B. The report shall contain the following information for each of the lobbyist's
13 employers:

14 1. The name, permanent business address, business telephone number, business e-
15 mail address, and occupation or business of the lobbyist's employer.

16 2. The totals of all expenditures for lobbying activities made or incurred by such
17 lobbyist and the totals of all expenditures for lobbying activities made or incurred on behalf of
18 such lobbyist by such lobbyist's employer, lobbying entity, or any other person with the
19 lobbyist's knowledge. Such total expenditures for lobbying activities shall be segregated by
20 category, and include the following: food and refreshments, living accommodations, travel,
21 entertainment and other expenses or services, including but not limited to minor incidental
22 expenses. Notwithstanding the foregoing, lobbyists are not required to report any unreimbursed

1 expenses incurred for telephone and any office expenses including rent and salaries and wages
2 paid for staff and secretarial assistance.

3 3. The total compensation paid to the lobbyist for lobbying purposes and any
4 compensation for lobbying purposes provided to a lobbying entity for the lobbyist's services
5 during the reporting period by each of the lobbyist's employer(s).

6 4. The legislation that the lobbyist has been supporting or opposing during the
7 reporting period, including council bill, ordinance, resolution, or initiative number, if established.

8 5. The names of the individuals lobbied, and the dates on which they were
9 lobbied.

10 6. Other information relevant to lobbying activities as shall be prescribed by rule
11 consistent with this Section 2.06.030.

12 ~~((6-))~~ 7. Information regarding any termination, change, or modification of the
13 lobbyist's employment.

14 8. If, during the quarterly reporting period, the lobbyist provided compensated
15 services, including consulting services, to the campaign of any candidate for elective City office,
16 or to a campaign for or against any City ballot measure, the name of the candidate, the elective
17 City office sought by the candidate, the ballot number of the ballot measure, the date of the
18 election, the amount of compensation earned for the compensated services, and a description of
19 the nature of the services provided. Such information shall be reported if the lobbyist personally
20 provided the services, or if the services were provided by a business entity in which the lobbyist
21 owns at least a ten percent investment, whether the compensation was provided directly to the
22 lobbyist or to the business entity.

1 **2.06.040 Reports by (~~(Employers of Registered Lobbyists.)~~) employers of registered**
2 **lobbyists**

3 A. Every employer of a lobbyist not exempted under Section 2.06.070 shall report on
4 such employment either by:

5 1. Verifying, by signing or certifying along with the lobbyist, the January report
6 required to be filed by Section 2.06.030; or

7 2. Filing with the Commission on or before the last day of February of each year a
8 statement disclosing for the preceding calendar year the following information:

9 a. ~~((the))~~ The total expenditures made by the employer for lobbying
10 purposes, whether through or on behalf of a registered lobbyist or otherwise;

11 b. ~~((the))~~ The legislation the employer has been employing a lobbyist or
12 lobbying entity, or compensating a lobbyist or lobbying entity to support or oppose, including
13 council bill, ordinance, resolution or initiative number, if established;

14 c. ~~((the))~~ The name, permanent business address, business telephone
15 number, and business e-mail address of each lobbyist or lobbying entity employed by the
16 reporting person and the total expenditures made by the employer for each such lobbyist or
17 lobbying entity for lobbying purposes;

18 d. Any contract the entity or any of its subdivisions has with the City; and

19 ~~((d. (such)))~~ e. Such other information as may be prescribed by rule
20 consistent with this Section 2.06.040.

21 **2.06.060 Registration and (~~(Reporting)~~) reporting—Exemptions (~~(-)~~)**

22 ~~((A-))~~ The following persons are exempt from registration and reporting under this Chapter 2.06:

1 ~~((1-))~~ A. Lobbyists who limit their lobbying to appearing before public sessions of the
2 ~~((city council))~~ City Council or its committees.

3 ~~((2-))~~ B. Lobbyists who restrict their lobbying activities to no more than four days or
4 parts thereof during any ~~((calendar))~~ quarter and are paid no more than \$5,000 for lobbying in
5 that quarter. Appearances before public sessions of the ~~((city council))~~ City Council and its
6 committees are not counted as lobbying activities.

7 ~~((3-))~~ C. Lobbyists' employers, to the extent that the activities of the lobbyists they
8 employ are exempt from registration and reporting under this ~~((section))~~ Section 2.06.060.

9 ~~((4-))~~ D. Elected officials, officers and employees of any local, state, or federal
10 government agency acting within the scope of their representation of or employment with such
11 agency; provided, however, that this subsection ~~((A(4)))~~ 2.06.060.D shall not apply to persons
12 specifically employed or retained by a government agency to lobby.

13 **2.06.070 Registration and ~~((Reporting))~~ reporting—Request for ~~((Exemption.))~~ exemption**

14 A. An exemption from the registration requirement of ~~((Section 2.06.020A(2)(g)))~~
15 subsection 2.06.020.A.2.g shall be granted by the Commission to a lobbyist's employer if such
16 lobbyist's employer has applied in writing to the Commission for such exemption and has
17 demonstrated by a reasonable probability that the compelled disclosure of identifying
18 information under ~~((Section 2.06.020A(2)(g)))~~ subsection 2.06.020.A.2.g will subject those
19 persons to threats, harassment, or reprisals from either government officials or private parties.

20 B. The decision to grant or deny an exemption from disclosure, with the reason or
21 reasons therefor~~((e))~~, shall be set out in writing with a copy kept on file with the Executive
22 Director.

23 **2.06.080 Voluntary ~~((Registration and Reporting.))~~ registration and reporting**

1 Any person exempted under this (~~chapter~~) Chapter 2.06 from registering and reporting may (~~at~~
2 ~~his or her option~~) voluntarily register and report under this Chapter 2.06.

3 **2.06.090 Duty to (~~Obtain and Preserve Records; Inspection and Audit of Records.~~) obtain**
4 **and preserve records; inspection and audit of records**

5 A. Persons required to register or report under this Chapter 2.06 shall obtain and preserve
6 all records necessary to substantiate all registration statements and reports that this Chapter
7 requires. Records required to be preserved under this Chapter 2.06 include but are not limited to
8 receipts, bills, invoices, checks, and records of electronic financial transactions. All such records
9 shall be preserved for at least five years after the registration statement or report to which they
10 pertain has been filed.

11 B. All records required to be maintained under this (~~section~~) Section 2.06.090 are
12 subject to inspection, copying and audit by the Executive Director, with reasonable prior notice,
13 during regular City business hours.

14 **2.06.100 Employment of (~~Unregistered Persons.~~) unregistered persons**

15 It is a violation of this (~~chapter~~) Chapter 2.06 for any person to employ a lobbyist who is
16 required to register(~~;~~) but is not registered under this (~~chapter~~) Chapter 2.06.

17 **2.06.110 Other (~~Restrictions.~~) restrictions**

18 In addition to other requirements imposed by this Chapter 2.06, a person required to register
19 under this chapter shall not:

20 A. Engage in any lobbying before registering as a lobbyist under this (~~chapter~~) Chapter
21 2.06;

22 B. File any statement or report with the Commission that is incomplete in any material
23 respect or contains a statement that is false or misleading with respect to any material fact;

1 C. Fail to comply with any of the reporting requirements of this (~~chapter~~) Chapter 2.06.

2 **2.06.115 Grass roots lobbying campaigns**

3 A. Any person who has made expenditures, not otherwise reported by a registered
4 lobbyist under this Chapter 2.06, or a candidate or political committee under Section 2.04.230 or
5 2.04.260, exceeding \$1,500 in the aggregate within any three-month period or exceeding \$750 in
6 the aggregate within any one-month period in presenting a program to the public, a substantial
7 portion of which is intended, designed, or calculated primarily to influence legislation, shall
8 register and report, as provided in subsection 2.06.115.B.2, as a sponsor of a grass roots lobbying
9 campaign.

10 B. Within 30 days after becoming a sponsor of a grass roots lobbying campaign, the
11 sponsor shall register by filing with the Executive Director a registration statement, in such detail
12 as the Commission shall prescribe, showing:

13 1. The sponsor's name, address, and business or occupation, and, if the sponsor is
14 not an individual, the names, addresses, and titles of the controlling persons responsible for
15 managing the sponsor's affairs;

16 2. The names, addresses, and businesses or occupations of all persons organizing
17 and managing the campaign, or hired to assist the campaign, including any public relations or
18 advertising firms participating in the campaign, and the terms of compensation for all such
19 persons;

20 3. The names and addresses of each person contributing \$25 or more to the
21 campaign, and the aggregate amount contributed;

22 4. The purpose of the campaign, including the specific legislation, rates,
23 standards, or proposals that are the subject matter of the campaign;

1 5. The totals of all expenditures made or incurred to date on behalf of the
2 campaign segregated according to financial category, including but not limited to: advertising,
3 segregated by media, and in the case of large expenditures (as provided by rule of the
4 Commission), by outlet; contributions; entertainment, including food and refreshments; office
5 expenses including rent and the salaries and wages paid for staff and secretarial assistance, or the
6 proportionate amount paid or incurred for lobbying campaign activities; consultants; and printing
7 and mailing expenses.

8 C. Every sponsor who has registered under this Section 2.06.115 shall file monthly
9 reports with the Commission by the tenth day of the month for the activity during the preceding
10 month. The reports shall update the information contained in the sponsor's registration statement
11 and in prior reports and shall show contributions received and totals of expenditures made during
12 the month, in the same manner as provided for in the registration statement.

13 D. When the campaign has been terminated, the sponsor shall file a notice of termination
14 with the final monthly report. The final report shall state the totals of all contributions and
15 expenditures made on behalf of the campaign, in the same manner as provided for in the
16 registration statement.

17 E. On the date of registering, and annually thereafter if the campaign has not been
18 terminated, a sponsor of a grass roots lobbying campaign will pay a registration and reporting fee
19 totaling \$500, except that the fee for a sponsor that is a nonprofit organization will be \$XXX.

20 **2.06.120 Complaints and (~~Investigations.~~) investigations**

21 Enforcement under this Chapter 2.06, including complaints, hearings, and investigations, shall be
22 governed by the provisions of (~~SMC~~) Sections 2.04.060 through 2.04.090. The prohibitions and
23 penalties set forth in this Chapter 2.06 are not exclusive(~~(,)~~) and are not intended to limit or

1 preclude other prohibitions that may be applicable or remedies that may be available under the
2 law.

3 **2.06.130 Civil (~~(Remedies and Sanctions.)~~) remedies and sanctions**

4 Upon determining pursuant to (~~(SMC)~~) Sections 2.04.060 through (~~(SMC)~~) 2.04.090 that a
5 violation of this (~~(chapter)~~) Chapter 2.06 has occurred, the Commission may issue an order
6 requiring the party to take particular action in order to comply with the law, and in addition, or
7 alternatively, may impose sanctions up to (~~(Five Thousand Dollars (\$5,000))~~) \$5,000 per
8 violation. Any person who fails to file a properly completed registration or report within the time
9 required by this (~~(chapter)~~) Chapter 2.06 may also be subject to a civil penalty of (~~(Seventy Five~~
10 ~~Dollars (\$75))~~) \$75 per day for each day each such delinquency continues, except that during the
11 last 30 days before any election such fine shall be at least (~~(Two Hundred Fifty Dollars (\$250))~~)
12 \$250 per day and up to \$1,000 per day in the discretion of (~~(SEEC)~~) (~~(the Commission)~~), for
13 each day such delinquency continues.

14 **2.06.140 Enforcement (:-)**

15 The Executive Director shall have the authority to enforce this (~~(chapter)~~) Chapter 2.06 as
16 provided in (~~(SMC)~~) Section 2.04.510.

17 **2.06.150 Limitation on (~~(Actions.)~~) actions**

18 Any action brought under the provisions of this (~~(chapter)~~) Chapter 2.06 must be commenced
19 within five years after the date when the violation occurred, or the date when the violation
20 reasonably should have been discovered.

21

