

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:

“Binding act” means an act taken by the City in an official capacity that imposes obligations on a non-City party. “Binding act” includes only the following types of actions:

1. Legislation;

1 2. Rulemaking by a City department, as defined in Section 3.02.020;

2 3. The procurement or awarding of a contract by a contract awarding authority as
3 defined in Section 20.42.020;

4 4. A land use decision or Master Use Permit grant under Chapter 23.76; and

5 5. A nonadvisory decision made by a board, commission, or similar City entity.

6 ((A:)) "City" means ((the)) The City of Seattle.

7 ((B:)) "City officer or employee or agent" means every person elected or appointed to any
8 City office or position of employment, including volunteers performing work for the City, when
9 acting within the scope of their City duties, and contract workers and consultants when acting
10 within the scope of their contract with the City. The term also includes persons appointed to City
11 boards, commissions and committees when acting within the scope of their City duties,
12 regardless of whether those persons are paid by the City.

13 ((C:)) "Commission" means the Seattle Ethics and Elections Commission.

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

18 ((E:)) "Executive Director" means the Executive Director of the ((Seattle Ethics and
19 Elections)) Commission or ((his or her)) designee.

20 ((F:)) "Expenditure" means anything of economic value that is provided, given, loaned, or
21 promised in furtherance of lobbying. The term includes expenditures for preparation and
22 planning activities, research, and other background work that is intended, at the time it is
23 performed, for use in connection with lobbying. The term also includes agreements to provide

1 things of economic value even when those agreements are unenforceable. Expenditures other
2 than money or its equivalent shall be valued according to their fair market value.

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

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

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

11 ~~J.))~~ "Lobby" and "lobbying" each mean communications with ~~((city council))~~ City
12 Council members, ~~((legislative department staff,))~~ the ~~((mayor))~~ Mayor, ~~((or the mayor's staff))~~
13 City officers or employees or agents either of the Legislative Department or working in the
14 Mayor's office, a department director, or a deputy director or other employee who reports
15 directly to a department director in an attempt to influence any of those individuals to develop,
16 propose, draft, consider or reconsider, promote, adopt, enact, reject, take favorable action upon,
17 approve, disapprove, veto, or fail to take action upon ~~((legislation))~~ a binding act.

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

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

21 2. Communications or other actions related to existing or proposed collective
22 bargaining agreement(s) with the City or other ~~((legislation which))~~ binding acts that could affect
23 specific existing or proposed collective bargaining agreements with the City;

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

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

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

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

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

14 ~~(O-)~~) "Minor incidental personal expenses" means expenses actually incurred for lodging,
15 mileage, parking, meals, copying, telephone, and facsimiles, which expenses are directly related
16 to lobbying.

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

18 (~~(Q-)~~) "Organizational member" includes a person as defined in this (~~(chapter,)~~) Chapter
19 2.06 but excludes individuals.

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

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

3 ~~((T:))~~ "Year" means a calendar year.

4 **2.06.020 Registration of ~~((Lobbyists:))~~ lobbyists**

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

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

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

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

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

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

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

21 ~~((e) the))~~ e. The general subject or subjects ~~((of his or her lobbying))~~ and,
22 if ~~((known))~~ there is one, the ~~((legislation on which he or she is))~~ binding act related to the

1 lobbyist's lobbying, including council bill, ordinance, resolution, or initiative number, if
2 established;

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

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

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

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

18 2.06.020.A.2.g.2.

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

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

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

6 C. ~~((Persons employed as lobbyists on the effective date of this chapter shall register
7 within 30 days of that effective date.))~~ On the date of registering and annually thereafter, if the
8 lobbyist's employment has not been terminated, a registered lobbyist will pay a registration and
9 reporting fee of \$500, except that the fee for a lobbyist representing exclusively a nonprofit
10 organization or nonprofit organizations will be \$XXX.

11 **2.06.030 Reporting by ~~((Lobbyists-))~~ lobbyists**

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

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

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

1 2. The totals of all expenditures for lobbying activities made or incurred by such
2 lobbyist and the totals of all expenditures for lobbying activities made or incurred on behalf of
3 such lobbyist by such lobbyist's employer, lobbying entity, or any other person with the
4 lobbyist's knowledge. Such total expenditures for lobbying activities shall be segregated by
5 category, and include the following: food and refreshments, living accommodations, travel,
6 entertainment and other expenses or services, including but not limited to minor incidental
7 expenses. Notwithstanding the foregoing, lobbyists are not required to report any unreimbursed
8 expenses incurred for telephone and any office expenses including rent and salaries and wages
9 paid for staff and secretarial assistance.

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

13 4. The ~~((legislation))~~ binding act that the lobbyist has been supporting or opposing
14 during the reporting period, including council bill, ordinance, resolution, or initiative number, if
15 established.

16 5. The names of the individuals lobbied, and the dates on which they were
17 lobbied.

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

20 ~~((6.))~~ 7. Information regarding any termination, change, or modification of the
21 lobbyist's employment.

22 8. If, during the quarterly reporting period, the lobbyist provided compensated
23 services, including consulting services, to the campaign of any candidate for elective City office,

1 or to a campaign for or against any City ballot measure, the name of the candidate, the elective
2 City office sought by the candidate, the ballot number of the ballot measure, the date of the
3 election, the amount of compensation earned for the compensated services, and a description of
4 the nature of the services provided. Such information shall be reported if the lobbyist personally
5 provided the services, or if the services were provided by a business entity in which the lobbyist
6 owns at least a ten percent investment, whether the compensation was provided directly to the
7 lobbyist or to the business entity.

8 **2.06.040 Reports by (~~(Employers of Registered Lobbyists.)~~) employers of registered**
9 **lobbyists**

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

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

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

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

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

21 c. ~~((the))~~ The name, permanent business address, business telephone
22 number, and business e-mail address of each lobbyist or lobbying entity employed by the

1 reporting person and the total expenditures made by the employer for each such lobbyist or
2 lobbying entity for lobbying purposes;

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

4 d. ((such)) Such other information as may be prescribed by rule consistent
5 with this Section 2.06.040.

6 **2.06.060 Registration and ((Reporting)) reporting—Exemptions ((-))**

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

8 ((1-)) A. Lobbyists who limit their lobbying to appearing before public sessions of the
9 ((city council)) City Council or its committees.

10 ((2-)) B. Lobbyists who restrict their lobbying activities to no more than four days or
11 parts thereof during any ((calendar)) quarter and are paid no more than \$5,000 for lobbying in
12 that quarter. Appearances before public sessions of the ((city council)) City Council and its
13 committees are not counted as lobbying activities.

14 ((3-)) C. Lobbyists' employers, to the extent that the activities of the lobbyists they
15 employ are exempt from registration and reporting under this ((section)) Section 2.06.060.

16 ((4-)) D. Elected officials, officers and employees of any local, state, or federal
17 government agency acting within the scope of their representation of or employment with such
18 agency; provided, however, that this subsection ((A(4)) 2.06.060.D shall not apply to persons
19 specifically employed or retained by a government agency to lobby.

20 **2.06.070 Registration and ((Reporting)) reporting—Request for ((Exemption-)) exemption**

21 A. An exemption from the registration requirement of ((Section 2.06.020A(2)(g))
22 subsection 2.06.020.A.2.g shall be granted by the Commission to a lobbyist's employer if such
23 lobbyist's employer has applied in writing to the Commission for such exemption and has

1 demonstrated by a reasonable probability that the compelled disclosure of identifying
2 information under ~~((Section 2.06.020A(2)(g)))~~ subsection 2.06.020.A.2.g will subject those
3 persons to threats, harassment, or reprisals from either government officials or private parties.

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

7 **2.06.080 Voluntary ~~((Registration and Reporting.))~~ registration and reporting**

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

10 **2.06.090 Duty to ~~((Obtain and Preserve Records; Inspection and Audit of Records.))~~ obtain**
11 **and preserve records; inspection and audit of records**

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

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

21 **2.06.100 Employment of ~~((Unregistered Persons.))~~ unregistered persons**

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

1 **2.06.110 Other (~~Restrictions~~) restrictions**

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

4 A. Engage in any lobbying before registering as a lobbyist under this (~~chapter~~) Chapter
5 2.06;

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

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

9 **2.06.115 Grass roots lobbying campaigns**

10 A. Any person who has made expenditures, not otherwise reported by a registered
11 lobbyist under this Chapter 2.06, or a candidate or political committee under Section 2.04.230 or
12 2.04.260, exceeding \$1,500 in the aggregate within any three-month period or exceeding \$750 in
13 the aggregate within any one-month period in presenting a program to the public, a substantial
14 portion of which is intended, designed, or calculated primarily to influence a binding act, shall
15 register and report, as provided in subsection 2.06.115.B.2, as a sponsor of a grass roots lobbying
16 campaign.

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

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

1 2. The names, addresses, and business or occupation of all persons organizing and
2 managing the campaign, or hired to assist the campaign, including any public relations or
3 advertising firms participating in the campaign, and the terms of compensation for all such
4 persons;

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

7 4. The purpose of the campaign, including the specific binding act or acts that are
8 the subject matter of the campaign;

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

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

21 D. When the campaign has been terminated, the sponsor shall file a notice of termination
22 with the final monthly report. The final report shall state the totals of all contributions and

1 expenditures made on behalf of the campaign, in the same manner as provided for in the
2 registration statement.

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

6 **2.06.120 Complaints and (~~Investigations.~~) investigations**

7 Enforcement under this Chapter 2.06, including complaints, hearings and investigations, shall be
8 governed by the provisions of (~~(SMC)~~) Sections 2.04.060 through 2.04.090. The prohibitions and
9 penalties set forth in this Chapter 2.06 are not exclusive(~~(;)~~) and are not intended to limit or
10 preclude other prohibitions that may be applicable or remedies that may be available under the
11 law.

12 **2.06.130 Civil (~~Remedies and Sanctions.~~) remedies and sanctions**

13 Upon determining pursuant to (~~(SMC)~~) Sections 2.04.060 through (~~(SMC)~~) 2.04.090 that a
14 violation of this (~~(chapter)~~) Chapter 2.06 has occurred, the Commission may issue an order
15 requiring the party to take particular action in order to comply with the law, and in addition, or
16 alternatively, may impose sanctions up to (~~(Five Thousand Dollars (\$5,000))~~) \$5,000 per
17 violation. Any person who fails to file a properly completed registration or report within the time
18 required by this (~~(chapter)~~) Chapter 2.06 may also be subject to a civil penalty of (~~(Seventy Five~~
19 ~~Dollars (\$75))~~) \$75 per day for each day each such delinquency continues, except that during the
20 last 30 days before any election such fine shall be at least (~~(Two Hundred Fifty Dollars (\$250))~~)
21 \$250 per day and up to \$1,000 per day in the discretion of (~~(SEEC)~~) the Commission, for each
22 day such delinquency continues.

23 **2.06.140 Enforcement (~~(;)~~)**

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

3 **2.06.150 Limitation on (~~(Actions.)~~) actions**

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

