

Moore-Love, Karla

From: Scroggin, Deborah
Sent: Tuesday, May 10, 2016 1:09 PM
To: Moore-Love, Karla
Cc: Parsons, Susan
Subject: Request: Refer Item 503 back to Auditor's Office

Karla,

Please refer item 503, Amendments to City Code 2.12 back to the Auditor's Office. We will be bringing a ~~substitute~~ item on June 8th. At the moment the plan is to have it as a regular agenda item.

Thank you,
Deborah

↑
*Clara's note:
New item*

IMPACT STATEMENT

Legislation title: Amend Regulation of Lobbying Entities and City Officials to improve administration, clarify requirements and Auditor duties (Ordinance; amend Code Chapter 2.12)

Contact name: Deborah Scroggin, Auditor's Office

Contact phone: 503-823-3546

Presenter name: Deborah Scroggin

Purpose of proposed legislation and background information:

This code update will substantially improve administration and compliance with the City's Regulation of Lobbying Entities program, strengthen certain provisions, and clarify requirements.

- The City's Lobbying Regulations have existed since 2005, but a substantial review and adjustment to regulations has not occurred since 2007.
- Major changes in this code update include: additional reporting by lobbying entities according to a new financial threshold, broadened post-employment prohibition for City Officials, clarified calendar posting minimum requirements, increased fines related to repeated violations, and clarified Auditor duties.

Financial and budgetary impacts:

Discuss the impacts of the legislation relating to all of the following if relevant:

- There are no long term financial impacts as a result of this code update.
- This action does not amend the budget or authorize additional spending on new or existing project/program.
- No change to current staffing levels are anticipated as a result of this code update. Additional staff time may be dedicated to creating administrative rules, updating manuals and public information related to current code language. Increased training and outreach is also expected.

Community impacts and community involvement:

This code update increases information available to the public regarding lobbying activity and aids program administration and standards for compliance. The proposed changes are designed to promote transparency and trust in City government.

Public outreach was conducted with registered and recently registered lobbying entities, civic groups such as League of Minority Voters and League of Women Voters, City Officials, and posted on the Auditor's website for public comment for a 2 ½ week period. The office conducted outreach with other governmental organizations and nonpartisan ethics and other public service organizations also provided feedback.

Budgetary Impact Worksheet

Does this action change appropriations?

- YES:** Please complete the information below.
- NO:** Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

**Amendments
Council Meeting 4-13-16**

373 **TIME CERTAIN: 3:00 PM** – Amend Regulation of Lobbying Entities and City Officials to improve administration, clarify requirements and Auditor duties (Ordinance introduced by Auditor Hull Caballero; amend Code Chapter 2.12) 90 minutes requested for items 373 and 374

Motion to amend 2.12.070 D(1) to add to last sentence “except for meetings with city staff other than city officials”: Moved by Fritz and seconded by Novick.

Motion to delete 2.12.080 B regarding at-will staff: Moved by Fritz and seconded by Saltzman.

Motion to accept Auditor’s amendment to delete 2.12.080 F: Moved by Fritz and seconded by Fish.

No votes were taken on the amendments.

**CONTINUED TO
MAY 11, 2016
AT 9:30 AM**



Date: 4/12/16

To: City Council

From: Auditor Mary Hull Caballero

RE: Amendment request for Council Agenda Item 373

Amend Regulation of Lobbying Entities and City officials to improve administration, clarify requirements and Auditor duties (Ordinance)

Due to lack of time for appropriate notice and comment, the following amendment is needed to exhibit A: Subsection 2.12.080(F) should be deleted.

The amendment will be presented at the Council meeting on April 13th, 2016.

Exhibit A.

2.12.080 Prohibited Conduct

- F. ~~No appointee to the Portland Development Commission, Planning and Sustainability Commission or Design Commission shall, for money or other consideration, lobby the commission that the appointee serves, any other appointees to that commission, the City Council, or members of the City Council regarding matters within the code or charter defined powers and duties of the appointee's commission.~~





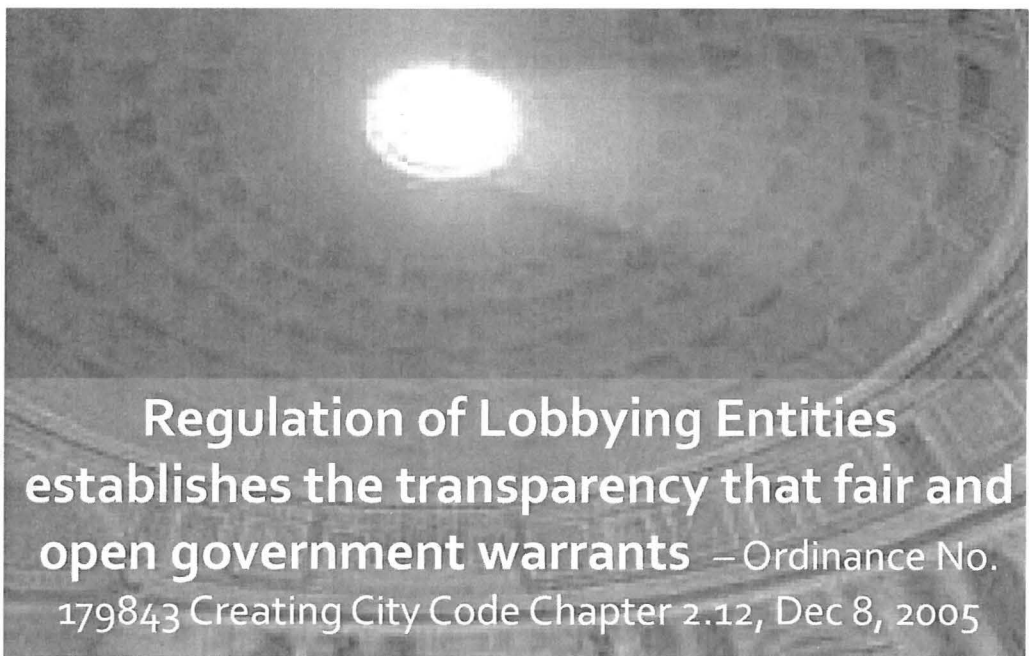
City of Portland's Regulation of Lobbying Entities – Proposed Changes

April 13, 2016
City Code Chapter 2.12
Office of the City Auditor



Background
on Lobbying
Regulations

Code Chapter
2.12



**Regulation of Lobbying Entities
establishes the transparency that fair and
open government warrants** – Ordinance No.
179843 Creating City Code Chapter 2.12, Dec 8, 2005



Code Chapter
2.12: Key Stats

39

Current
Registered
Lobbying
Entities



188

Current
Registered
Lobbyists



\$287,093

Reported
Lobbying
Expenses
in 2015



Code Chapter
2.12: Purpose
of Proposed
Changes

**Goal: Improve Administration and
Effectiveness**

**Strengthen and Clarify Program
Requirements**

Provide Meaningful Enforcement





Code Chapter
2.12: Close
Lobbying
Registration
Loophole

Add Lobbying Expenditure Disclosure Requirement

8

hours per quarter

OR

\$1,000

per quarter



Code Chapter
2.12:
Prohibited
Conduct

Preserves public trust in
government decision making

Prevents appearance of undue
influence





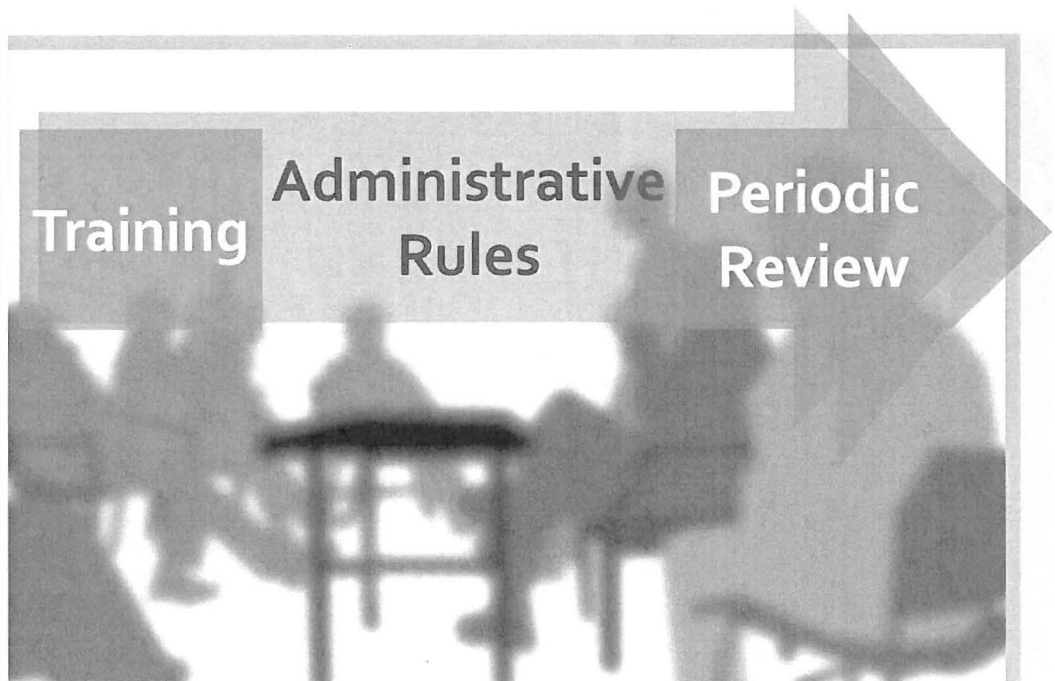
Code Chapter
2.12:
Enforcement



Meaningful Enforcement
Increase penalties for repeated violations



Code Chapter
2.12: Next
Steps



Training

**Administrative
Rules**

**Periodic
Review**

Moore-Love, Karla

From: Benjamin Kerensa <bkerensa@gmail.com>
Sent: Monday, May 09, 2016 2:14 PM
To: Council Clerk – Testimony
Subject: Amend Regulation of Lobbying Entities and City Officials / Agenda Item 503 / Wednesday, May 11th

Hello City Council,

I support the auditor's proposed changes which increase transparency and the amount of information available to the public.

--
Benjamin Kerensa

AMEND REGULATION OF LOBBYING ENTITIES & PUBLIC OFFICIALS CODE 2.12

IF YOU WISH TO SPEAK TO CITY COUNCIL, **PRINT** YOUR NAME, ADDRESS, AND EMAIL.

NAME (print)

ADDRESS AND ZIP CODE

Email

✓ Debbie Aiona	League of Women Voters	
DAVID DELK	112 NE 45 th Ave Portland 97213	DAVIDARD@YMAIL.COM
✓ Kate Titus	Common Cause Oregon	
✓ Craig Rogers	11010 S.E. Yamhill St. Port OR 97216	
✓ Lightning		



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Portland, OR 97204-2311
503/283-1922
503/283-1877 (fax)
www.commoncause.org/oregon

April 13, 2016

To: Portland City Council
From: Kate Titus, Common Cause Oregon
Re: Auditor's proposed changes to lobbyist registration program

I submit this testimony on behalf of Common Cause, in my role as the executive director of Common Cause Oregon.

Common Cause

Common Cause is a national nonpartisan organization – with on-the ground presence here in Oregon and in most states – that works to safeguard and strengthen the democratic process. Founded in 1970, the organization works to build trust in our institutions of self-government, empower public participation in the democratic process, and ensure that government serves and is accountable to the public interest.

Comments

On behalf of Common Cause, I express support for the proposed changes to Portland City Code, Chapter 2.12 dealing with registration of lobbying entities.

I offer several comments on this proposal. First, I'd like to note that we are fortunate here in Portland to see proactive leadership from the Auditor's Office and the City Council to monitor and adjust our ethics rules. This is the way it should work.

Broadly, Common Cause is supportive of all the proposed changes, but I will also comment specifically on several. With regard to the first point, adding financial criteria to the threshold, Common Cause concurs with the rationale for this change. Clearly adding money into the threshold more accurately captures lobbying activity. With regard to the point on penalties, I would just note that it is often appropriate for initial penalties to be low, to encourage quick identification and correction of mistakes. The goal is cooperation and compliance, not failure and punishment. That said, it absolutely makes sense to increase penalties for repeated violations.

I especially want to speak to the issue of the revolving door policy. I understand the challenge for sitting elected leadership to expand a restriction that limits the professional opportunities for yourselves and your staffs. But the reality is, there is an inherent conflict that exists – despite all the best intentions – in having government employees able to move back and forth between representing the public and private interests. As long as public employees are allowed to move

quickly back and forth, there is no way for the public to feel confident, or for you yourselves to even know for sure, that private interests aren't taking advantage of inside knowledge and relationships, or that the offer of further professional opportunities isn't at least subtly influencing decision-making. Two years is widely considered an appropriate cooling off period. One year is often seen as too short, simply cosmetic. And in cases where someone is substantially involved in an issue, it's often considered appropriate that they simply forego their ability to work on both the public *and* private side entirely.

Conclusion

In summary, Common Cause commends the City Auditor's staff for leadership on this issue, expresses support for this proposal, and encourages your vote to pass it.



The League of Women Voters of Portland

618 NW Glisan St., Suite 303, Portland, OR 97209

(503) 228-1675 • info@lwvpdx.org • www.lwvpdx.org

Regulation of Lobbying Entities and City Officials City Council Testimony April 13, 2016

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Minda Seibert and
Liz Conroy-Yockim
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Speakers' Bureau

Kris Hudson
Budget

The League of Women Voters of Portland was an early supporter of the city's Lobbyist Registration Program and, along with other good government and public interest organizations, assisted Commissioner Sam Adams during the development process. As with any city program, regular evaluation and updates increase effectiveness and address changing circumstances. The League is pleased to support Auditor Hull Caballero's proposed improvements.

From the beginning, there was a desire to set a reporting threshold that would capture the activities of not only non-profit volunteer organizations like the League and City Club and associations such as the Portland Business Alliance, but also other highly influential lobbyists operating in City Hall. The hourly threshold was reduced from 16 to eight hours in 2007 for that purpose. Instituting the financial threshold is a welcome addition and we encourage the Auditor's office to monitor its effectiveness over time and take additional steps, if necessary.

The broadened scope and length of the prohibition on former city employees' ability to lobby will help improve the public's confidence in the integrity of our city government. There should be a clear line between public service and private interests, and this provision is a big step in the right direction.

The increased financial penalties for violations are appropriate given the fact that they have not been adjusted since 2005 and do not cover the cost of enforcement. It is reassuring to know, however, that the Auditor's office will write administrative rules that describe the factors she will consider when setting fines for violators. A \$3,000 fine for an all-volunteer organization like the League would have a much greater negative impact than a fine of that size would have on a large corporation.

Finally, the current lobbying ordinance requires lobbyists to report committee meetings they attend when those committees were not created by City Council. Implementation of this provision could be improved. From time to time our members serve on such committees and we have found that, in most cases, it is not clear whether or not a committee was created by council. Furthermore, unless city staff members in attendance who are subject to the ordinance state their name and status, lobbyists do not always know whom to list as contacts.

We appreciate the effort that Deborah Scroggin and Auditor Hull Caballero have devoted to updating and improving the lobbying ordinance and urge your unanimous support.

"To promote political responsibility through informed and active participation in government."

Moore-Love, Karla

From: Catie Kelley <CKelley@campaignlegalcenter.org>
Sent: Tuesday, April 12, 2016 6:30 PM
To: Moore-Love, Karla
Subject: CLC Testimony on Proposed Changes to PCC 2.12
Attachments: CLC Testimony on Proposed Changes to PCC 2.12.pdf

Dear Ms. Moore-Love,

On behalf of the Campaign Legal Center, I am submitting this testimony in regard to the proposed changes to the lobbying provisions of the Portland City Code, scheduled to be considered by the Council at its meeting on April 13. Thank you for the opportunity to submit this testimony.

Sincerely,

Catie

Catherine Hinckley Kelley
State & Local Reform Program Director
The Campaign Legal Center: 2014 MacArthur Award for Creative & Effective Institutions
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Washington, DC 20005
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ckelley@campaignlegalcenter.org



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www.campaignlegalcenter.org

April 12, 2016

By Electronic Mail (karla.moore-love@portlandoregon.gov)

Portland City Council
City Hall
1221 SW Fourth Avenue
Portland, OR 97204

Re: Testimony of the Campaign Legal Center on Proposed Changes to
Portland City Code 2.12, Registration of Lobbying Entities

Dear Mayor Hales and Commissioners Fish, Fritz, Novick and Saltzman:

On behalf of the Campaign Legal Center,¹ we are submitting this testimony in regard to proposed changes to the lobbying provisions of the Portland City Code (PCC), scheduled to be considered by the Council at its meeting on April 13. The proposed changes would add a monetary threshold to trigger lobbyist registration and reporting requirements, lengthen the “cooling off” period of the City’s revolving door provision, increase penalties for violating the lobbying code and establish the Auditor’s authority to initiate investigations. These commonsense changes proposed by Auditor Mary Hull Caballero reflect the type of changes necessary to keep the City’s code up-to-date with current lobbying practices. The Campaign Legal Center supports these changes and suggests several additional changes to strengthen and clarify the City’s lobbying laws.

I. The proposed amendments to the City’s lobbying code, together with the Campaign Legal Center’s suggested modifications, reflect good public policy.

For nearly 15 years, the Campaign Legal Center has worked to promote effective campaign finance, lobbying and ethics laws at every level of government. With this experience and perspective, we know that diligent maintenance of these laws is critical to their success. The proposed amendments to the City’s lobbying code represents precisely the kind of periodic evaluation and updating that is so important to maintain meaningful lobbying laws.

The proposed amendments to the City’s lobbying code would extend the amount of time, from one to two years, that former City elected officials must wait before lobbying the City and

¹ The Campaign Legal Center is a nonprofit, nonpartisan organization that works to enact, implement and defend effective campaign finance, lobbying and ethics laws. It was created to represent the public perspective in administrative and legal proceedings in the areas of campaign finance, voting rights and government ethics and to protect the integrity of government and the ability of all Americans to participate in the political process.

specifies other high-level positions within the City that will also be subject to the two-year “cooling-off” period. Post-employment restrictions such as these are intended to prevent high-level government officials from capitalizing on their public service for personal gain. Additionally, these restrictions are intended to temper the former officials’ influence over subordinates who may still be serving within government. The cooling-off period diminishes the appearance that a former official is “cashing in” on their government service and provides those who worked with the official while in office the separation of time to diminish the sense that the official still has influence over them. The proposed amendment to extend the cooling off period from one to two years is important for several reasons. One year is a relatively short period of time and many of the matters pending before the City and many of the people working for the City will likely still be the same. A two-year cooling-off period makes it more likely that the government official’s direct knowledge and connections they developed while in office will be attenuated, and thus diminishes the appearance that they have special influence and knowledge.

The City’s current post-employment restriction applies to all City employees. PCC 2.12.080.A (“No former City elected official, City director *or other employee* shall . . .”) (emphasis added). Such an across the board ban is unnecessarily restrictive. Post-employment restrictions should focus on the activities of former elected officials and other high-level positions within government. The potential for undue influence of former city officials is greatest for those who have had substantial power or decision-making authority during their government service. There is little potential for such abuse with lower ranking staff and it is accordingly not necessary to limit their post-employment activities in the same way. Federal law similarly establishes a two-year cooling-off period for Members of Congress and senior staff, defined as those who are compensated at a rate equal to or above 75 percent of the rate of pay of a Member of Congress. 18 U.S.C. § 207(e)(7). The proposed amendments make a sensible change to current law by specifying certain positions subject to the post-employment restrictions rather than the current provision that covers all city employees. The Campaign legal Center supports this change to lengthen the cooling-off period while at the same time specifying and narrowing the employees covered by this provision.

The amendments also propose changes to the Auditor’s duties by giving her authority to initiate investigations and investigate complaints of alleged violations of the lobbying provisions. The amendments provide that the Auditor “[m]ay make such inquiries and obtain such reasonable assistance and information from any office or person as the Auditor shall require for enforcement purposes, including requests to produce documentary or other evidence that is reasonably relevant to the matters under investigation.” Amendments 2.12.110.G. This grant of authority stops short of providing the Auditor with subpoena power to pursue her investigations. Based on our observations of other agencies and officials charged with administering and enforcing similar laws, we know that subpoena power may very well be necessary for the Auditor to fully investigate potential violations of the law. Subpoena power could be placed directly with the Auditor or the Auditor could request subpoenas on a case-by-case basis through the City Attorney. Either way, we recommend that the Auditor’s increased enforcement authority also include subpoena power. The availability of subpoena power will enable the Auditor to conduct more robust and thorough investigations and, ultimately, to enforce the law in a meaningful way.

II. The Council should consider additional changes to the City's lobbying provisions to clarify and strengthen Chapter 2.12.

The proposed amendments to the City's lobbying ordinance represent good public policy. While the Council is in the process of making these changes, we recommend that the Council consider several additional changes to clarify and strengthen Portland's lobbying provisions.

First, the City's lobbying provisions relating to gifts could be greatly improved with some clarifying changes to reflect applicable State law. State law establishes an aggregate annual cap of \$50 on the amount public officials may accept from "a single source that could reasonably be known to have a legislative or administrative interest," e.g., lobbyists, lobbying firms and their clients. Or. Rev. Stat. § 244.025. This law applies to public officials at all levels of government within the State.² The City's code, however, does not make clear that City officials are subject to this limit. The current City lobbying law addresses gifts in two places: 2.12.020.K defines "gift", and 2.12.070 requires city officials to file written reports documenting gifts from lobbyists in excess of \$25. Neither section establishes a cap on the maximum value of a gift that a city official may accept or refers to the applicable State law.

The City's lobbying provisions should make clear that City officials are subject to the \$50 gift limit. Other sections of the City's lobbying code refer to the Oregon Code, indicating that the City ordinance is relying on a State law definition or that a provision of State law governs. *See, e.g.,* PCC 2.12.020.K.1 (exempting "campaign contributions" from the definition of "gift" and relying on State law's description of campaign contributions). We recommend that the City's lobbying provisions specifically refer to the State's gift limits and perhaps to the State's government ethics laws more broadly. Such a reference will make clear that additional requirements and restrictions under State law may apply to individuals lobbying the City and, in turn, help ensure compliance with all applicable lobbying laws.

In addition, we recommend that the City official's gift reporting requirements be modified to use State's description of the giver of the gift, "any single source that could reasonably be known to have a legislative or administrative interest," Or. Rev. State. § 244.025, rather than the description used in current City law. As written, the reporting requirements for city officials require disclosure of gifts from "a lobbying entity, or any person authorized to lobby on the lobbying entity's behalf." PCC 2.12.070.A. This definition captures lobbying firms (a lobbying entity) and the lobbyists who work there (a person authorized to lobby on the lobbying entities behalf) but does not capture *clients* hiring lobbyists. We recommend that the Council use the State's language from Section 244.025 which would capture all three (client, lobbyist and lobbying firm), because all three would have a "legislative or administrative interest," and close this loophole in the gift reporting requirements. This modest change would ensure the reporting of gifts from those with lobbying interest and provide parity between the State's aggregate gift limit and the City's reporting requirements for such gifts.

² The gift cap established under Oregon Code applies to "public officials," defined as "any person who . . . is serving the State of Oregon or any of its political subdivisions or any other public body defined in ORS 174.109." Or. Rev. Stat. § 244.020(15). The definition of public body includes "local government bodies." § 174.109.

Finally, we recommend that the Council amend the quarterly reporting requirements for lobbying entities and require itemized reporting of lobbying expenditures. Even though the City Code defines six categories of lobbying expenditures, lobbyists are only required to report a lump-sum of their expenditures in excess of \$1,000. PPC 2.12.040.A.2. Itemized expenditure reporting is an important tool to provide meaningful disclosure so that the public can understand the nature of lobbying activities. There is a vast difference in the type of lobbying represented by expenditures for “printing, postage and telephone” as opposed to expenditures for “food, refreshments, travel and entertainment.” The public should be able to see not just who is attempting to influence City officials, but how they are attempting to influence them. This information will contribute to transparent government processes. California’s Fair Political Practices Commission (FPPC) recently updated its regulations to provide greater detail to the public on lobbying expenditures. The FPPC recognized that detailed reporting of lobbying expenditures will also aid compliance and expose potential violations of the law. *See* FPPC Memo. Lobbying Disclosure of Other Payments to influence, Jan. 22, 2015, *available at* <http://www.fppc.ca.gov/content/dam/fppc/NS-Documents/AgendaDocuments/General%20Items/2016/01-16/50.1%20Memo%20Reg%2018616.pdf>. We urge the Council to take similar steps and provide greater transparency into how lobbyists are spending money to influence City officials.

III. Conclusion

For all of the above-state reasons, the Campaign Legal Center concludes that the proposed amendments to Portland City Code 2.12 reflect good public policy. We respectfully urge the Council to make additional changes to the proposed amendments as outlined in this testimony. We thank you for the opportunity to submit this testimony.

Sincerely,

/s/ Catherine Hinckley Kelley

Catherine Hinckley Kelley, State & Local Reform Program Director

Campaign Legal Center
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Suite 1400
Washington, DC 20005
(202) 736-2200
ckelley@campaignlegalcenter.org

Moore-Love, Karla

From: Chris Smith <chris@chrissmith.us>
Sent: Tuesday, April 12, 2016 3:46 PM
To: Hales, Mayor; Commissioner Saltzman; Commissioner Fish; Commissioner Fritz; Commissioner Novick; City Auditor, Mary Hull Caballero
Cc: Alpert, Josh; Finn, Brendan; Schmanski, Sonia; Crail, Tim; Warner, Chris; Moore-Love, Karla; Anderson, Susan; Schultz, Katherine; Ocken, Julie; Scroggin, Deborah
Subject: Testimony: Changes to City of Portland Lobbying Code

Members of Council,

I'm writing to you about the pending changes to the Lobbying Entity code. Unfortunately a schedule conflict prevents me from testifying in person on Wednesday.

I had the privilege of working with then-Commissioner Adams as part of the advisory group that crafted the original Lobbying ordinance. I've also had the opportunity to participate in the system, both as a representative of a Lobbying Entity, and as a Public Official.

I'm supportive of the overall aims of the program and many of the proposed updates. However, I want to call your attention to one particular new prohibited activity:

No appointee to the Portland Development Commission, Planning and Sustainability Commission or Design Commission shall, for money or other consideration, lobby the commission that the appointee serves, any other appointees to that commission, the City Council, or members of the City Council regarding matters within the code or charter defined powers and duties of the appointee's commission.

I foresee no personal impacts for myself from this provision. I am fortunate to be able to conduct my public service on a purely volunteer basis, while earning my income from a private sector employer that has little interaction with the City. However, not all of my colleagues are in the same position, many having gained their valuable experience and perspective on City policy through their professional careers.

The motivation for the section is laudable, but I am concerned that the practical impact could be profound, forcing some of my colleagues to reconsider their involvement in the Planning and Sustainability Commission and perhaps removing from consideration future appointees who could make valuable contributions. I believe the section is flawed on two bases:

1) The prohibition on lobbying the commission an appointee serves on would be almost impossible to trigger. Such activity is either excluded from this clause as not being lobbying because of the definition that official actions of City Officials (which includes commission members) as not being lobbying, or if a clear economic interest was present, would already trigger conflict of interest provisions in state law.

2) The prohibition on lobbying City Council is more troubling. Several of my colleagues have reason to interact with the City in their professional capacity. The very broad phrase "regarding matters within the code or charter defined powers and duties of the appointee's commission" potentially forbids these colleagues from performing duties related to their profession. The Planning and Sustainability Commission adopts the Climate Action Plan, the Portland Plan and the Comprehensive Plan. How many actions of City Council could be defined as unrelated to those sweeping documents?

Do we really want to tell the Executive Director of the Urban Greenspaces Institute that if he accepts the call to service on the Planning and Sustainability Commission, he must forgo the ability to engage with City Council on issues in the tree code? That's just one example among current members of the commission, I am confident there are more. If we make that an either/or choice, Portland will be a poorer city as a result.

When creating the original lobbying code, the advisory group had broad representation from organizations and individuals with an interest in City policy and could test proposed language against real-world situations to make sure it balanced the goals of transparency against unintended consequences. I do not believe this proposal has been through such a process and believe it would benefit enormously from being exposed to one.

I urge you to postpone consideration of this proposal until it can be properly vetted. I'm confident the desire for increased transparency can be achieved with much less sacrifice.

Thank you for your consideration of this issue.

Chris Smith

4/13/16 Proposed
amendments
NOTED

Exhibit A

2.12.030 Registration for Lobbying Entities.

(Amended by Ordinance Nos. 180205 and 181204, effective September 7, 2007.)

- A. Within three working days after a lobbying entity has spent 8 hours or more or estimates that it has spent cumulative 8 hours or more or has spent at least \$1,000 during any calendar quarter lobbying, the lobbying entity shall register with the City Auditor by filing with the Auditor a statement containing the following information:
1. The name, address, email, website and telephone number of the lobbying entity;
 2. A general description of the trade, business, profession or area of endeavor of the lobbying entity;
 3. The names, addresses, email, website and telephone number of all lobbyists who are employed by or otherwise authorized to lobby on behalf of the lobbying entity. The list must include:
 - a. Individuals who are paid to lobby for the interests of the lobbying entity.
 - b. Other persons, including lobbying entity employees or volunteers, who are authorized to lobby on behalf of the lobbying entity.
 - c. Previous City of Portland employment status of individuals who are paid or otherwise authorized to lobby on the entity's behalf, the affiliated bureau(s) or office(s) of employment, and dates of employment.
 4. The subjects and any specific official actions of interest to the lobbying entity.
- B. A business, organization, or association who anticipates registering as a lobbying entity is encouraged to register at the beginning of each calendar year.
- C. Registrations shall expire December 31 of every year. Lobbying entities shall renew their registrations once the 8-hour threshold has been reached in each calendar year.
- D. An authorized representative of the lobbying entity must sign the registration required by this Section.

2.12.040 Quarterly Reporting Requirements for Lobbying Entities.

(Amended by Ordinance Nos. 180205, 180620, 181204 and 186176, effective August 30, 2013.)

- A.** A lobbying entity registered with the City Auditor or required to register with the City Auditor shall file a report, if the lobbying entity has spent an estimated 8 hours or more or at least \$1,000 during the preceding calendar quarter lobbying, with the City Auditor, by April 15, July 15, October 15, and January 15, showing:
- 1.** The specific subject or subjects of the official action of interest to the lobbying entity, including but not limited to the names of City officials a lobbying entity met with or contacted through direct mail, email or telephone regarding such subject or subjects, the name of the registered lobbyist representing the entity and the date of the contact
 - 2.** A good faith estimate of total moneys, if the total exceeds \$1,000, expended by the lobbying entity or any lobbyist employed by or otherwise authorized to lobby on behalf of the lobbying entity, for the purpose of lobbying City officials on behalf of the lobbying entity in the preceding calendar quarter reporting period for:
 - a.** Food, refreshments, travel and entertainment;
 - b.** Printing, postage and telephone;
 - c.** Advertising, direct mail and email;
 - d.** Miscellaneous and gifts;
 - e.** Compensation paid to lobbyists; and
 - f.** Reimbursements to lobbyists for their expenses.
 - 3.** The name of any City official to whom or for whose benefit, on any one occasion, the lobbying entity made an expenditure in excess of \$25 in the preceding calendar quarter for the purposes of lobbying, and the date, name of payee, purpose and amount of that expenditure.
- B.** Statements required by this section need not include amounts expended by the lobbying entity for personal living and travel expenses and office overhead, including salaries and wages paid for staff providing clerical assistance and others not engaged in lobbying activities ~~and secretarial assistance~~, and maintenance expenses. If the amount of any expenditure required to be included in a statement is not accurately known at the time the statement is required to be filed, an estimate of the expenditure shall be submitted in the statement and designated as

an estimate. The exact amount expended for which a previous estimate was made shall be submitted in a subsequent report when the information is available.

- C. A lobbying entity shall update any information submitted in Section 2.12.030 that has changed since registration.
- D. A statement required by this section shall include a copy of any notice provided to a City official under ORS 244.100.
- E. An authorized representative of the Lobbying Entity must sign the declaration required by Section 2.12.090 A for each quarterly report.
- F. Lobbying entities who expect to spend 8 hours or more lobbying City Officials in a calendar quarter, but do not anticipate spending over \$1,000 per calendar quarter in the same reporting period for the purpose of lobbying may sign and file a certificate of limited expenditure provided by the Auditor's office in lieu of the financial portion of the quarterly report described in Section 2.10.040 A.2. The certificate affirms that the lobbying entity will spend less than the threshold required for quarterly financial reporting of moneys expended under Section 2.12.040 A.2. If a lobbying entity that files a certificate of limited expenditure spends over \$1,000 in a calendar quarter for the purpose of lobbying, the lobbying entity shall withdraw the certificate of limited expenditure and shall report moneys expended pursuant to Section 2.12.040 A.2.
- G. A lobbying entity may amend a quarterly report without penalty if it files the amended report within 25 days after the end of the calendar quarter.

2.12.070 Reporting Requirements for City Officials

(Amended by Ordinance Nos. 180205 and 180620, effective December 22, 2006.)

- A. City officials shall file written reports documenting any gifts, meals or entertainment in excess of \$25.00 received from a lobbying entity, regardless of the entity's registration status, or any person authorized to lobby on the lobbying entity's behalf. Such reports shall include:
 - 1. Name of lobbying entity, and if applicable, name of lobbyist;
 - 2. Subject of lobbying;
 - 3. Value of gift, meal or entertainment; and
 - 4. Date of receipt.
- B. City officials shall file written reports after a lobbyist or lobbying entity, regardless of the entity's registration status, has agreed to make a donation of personal or real property to the City. Such reports shall include:

1. Name of lobbying entity, and if applicable, name of lobbyist;
2. Gift or donation requested;
3. Purpose of donation; and
4. Date of request.

C. The reports, if any, required by subsections 2.12.070 A. and B. shall be filed with the City Auditor 15 days after the end of the calendar quarter. City officials, other than elected officials, are not required to file reports with the Auditor if the amount of the gift, meal or entertainment is less than \$25.00 or if no gifts or donations have been requested in the calendar quarter.

D. Elected officials and City directors shall post their calendars of activities that reflect related to official City business to the lobbyist website designated by the City Auditor 15 days after the end of the calendar quarter for the previous calendar quarter, unless an elected official or City director determines that such posting poses a safety threat.

1. Unless otherwise exempted, calendars required by this section shall include the date and length of scheduled official business. If scheduled activities include non-City staff and are private, the primary participants or organizations shall be listed. *EXCEPT FOR STAFF OTHER THAN CITY OFFICIALS.*

2. Elected officials' and City directors' quarterly calendars required by this section shall be retained in accordance with City Administrative Rules and posted publicly on the originating office's website for a period of at least one calendar year.

E. A City Official may amend a quarterly report without penalty if he or she files the amended report within 25 days after the end of the calendar quarter.

2.12.080 Prohibited Conduct.

A. No former City elected official, ~~City director or other employee~~ shall, for a period of ~~two~~ one years after the termination of the ~~employee's~~ official's term of office ~~or employment~~, lobby for money or other consideration a City elected official or their at will staff. City official, regarding any subject matter on which the ~~employee participated personally and substantially during the employee's term of office or employment;~~ provided, that if the employee exercised contract management authority with respect to a contract, this prohibition shall be permanent as to that contract.

4/13
FRITZ
amendment
#1

4/13 FRITZ amendment #2

Delete
"at will"

B. No former ~~at will~~ staff of a City elected official shall, for a period of two years after the termination for employment with a City elected official, lobby for money or other consideration a City elected official or their at will staff.

C. No former City director shall, for a period of two years after termination of the director's appointment, lobby for money or other consideration the current City director of the office or bureau to which the former City director was appointed or, regarding matters within the powers and duties of the bureau to which the former City director was appointed, the Commissioner in charge of the office or bureau to which the City director was appointed.

D. No Former City employee shall lobby a City Official for money or other consideration regarding a contract if the employee exercised contract management authority with respect to that contract while employed by the City. This prohibition shall be for the duration of the contract.

B.E. The prohibitions in this Section shall not apply to:

1. Prevent any former City elected official or other City employee from representing himself or herself, or any member of his or her immediate family, in their individual capacities, in connection with any matter pending before the City;
2. The activities of any former City elected official or other City employee who is an elected or appointed officer or employee of any public body, when that former City elected official or other City employee is solely representing that agency in his or her official capacity as an officer or employee of the public body;
3. Any ministerial action. For purposes of this subsection, a ministerial action is one that does not require a City official or other City employee to exercise discretion concerning any outcome or course of action.
4. Prevent City officials or other City employees from seeking information or participation from former City elected officials or other City employees where the public interest would be served by the information or participation.

F. No appointee to the Portland Development Commission, Planning and Sustainability Commission or Design Commission shall, for money or other consideration, lobby the commission that the appointee serves, any other appointees to that commission, the City Council, or members of the City Council regarding matters within the code or charter defined powers and duties of the appointee's commission.

2.12.110

Auditor's Duties.

4/13
Amendment #3
Auditor request
Delete F.

In carrying out the provisions of this Chapter, the City Auditor:

- A. Shall prescribe forms for registrations, statements and reports, and provide such forms to persons required to register and to file such statements and reports;
- B. Shall accept registrations and reports in an electronic format;
- C. Shall accept and file any information voluntarily supplied that exceeds the requirements of this Chapter;
- D. Shall make registrations, statements and reports filed available for public inspection and copying during regular office hours, and make copies available. The Auditor may charge fees to recover the cost of retrieval and copying;
- E. May audit whether registrations and reports required by this Chapter have been completed properly and within the time frames specified in this Chapter;
- F. May initiate investigations and accept and investigate complaints of alleged violations of this Chapter;
- G. May make such inquiries and obtain such reasonable assistance and information from any office or person as the Auditor shall require for enforcement purposes, including requests to produce documentary or other evidence that is reasonably relevant to the matters under investigation;
- H. May recover all reasonable costs incurred in enforcement in this Chapter, including but not limited to attorney's fees.
- F.I. Is authorized to adopt administrative rules to carry out the duties and to administer the provisions of this Chapter.

2.12.120 Penalties.

A person who violates any provision of this Chapter or fails to file any report, registration or statement or to furnish any information required by this Chapter shall be subject to a civil penalty in an amount not to exceed ~~\$3,000~~~~\$500.00~~ per violation for repeated violations. At the request of the Auditor, the City Attorney may seek civil penalties and enforcement of any provision of this Chapter in Multnomah County Circuit Court or other appropriate venue.

Ordinance No.

REFERRED TO AUDITOR..

Amend Regulation of Lobbying Entities and City Officials to improve administration, clarify requirements and Auditor duties (Ordinance; amend Code Chapter 2.12)

The City of Portland ordains:

Section 1. The Council finds:

1. On December 21, 2005, the Council passed Ordinance No. 179843 creating Code Chapter 2.12 Regulation of Lobbying Entities Program, requiring registration of and reporting by Lobbying Entities and City Officials.
2. On August 8, 2007, the Council passed Ordinance No. 181204, the last significant amendment to Code Chapter 2.12.
3. The City has a compelling interest in encouraging open government processes to avoid even the appearance of favoritism. Code Chapter 2.12 was created with the intent to assure a City government that is accountable to its citizens.
4. Periodic reviews and updates to Code Chapter 2.12 to improve administration and transparency are necessary.
5. Strong post-employment restrictions reinforce the community's trust in the integrity of its government. Many states and local jurisdictions have adopted a two year post-employment restriction on certain public officials.
6. The Auditor's Office intends to focus on training and awareness to increase disclosures and compliance with code regulations.
7. In order for the Auditor's Office to provide training, awareness, and develop appropriate administrative rules, amendments to Code Chapter 2.12 should take effect September 1, 2016.

NOW, THEREFORE, the Council directs:

- a. City Code Chapter 2.12 Regulation of Lobbying Entities, is amended as provided in exhibit A.
- b. The Auditor's Office shall develop administrative rules as necessary for further guidance on compliance and enforcement of City Code Chapter 2.12.
- c. To allow time for necessary training, outreach, and development of administrative rules, amendments provided in exhibit A will take effect September 1, 2016.

Passed by the Council:

Auditor Mary Hull Caballero
Prepared by: Deborah Scroggin
Date Prepared: April 4, 2016

Mary Hull Caballero
Auditor of the City of Portland
By

Deputy

Agenda No.
ORDINANCE NO.

Title

Amend Regulation of Lobbying Entities and City Officials to improve administration, clarify requirements and Auditor duties (Ordinance; amend Code Chapter 2.12)

<p>INTRODUCED BY Commissioner/Auditor: Auditor Hull Caballero <i>Mary Hull Caballero</i> COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p> <p>BUREAU APPROVAL</p> <p>Bureau: Auditor Bureau Head: <i>Mary Hull Caballero</i></p> <p>Prepared by: Deborah Scroggin Date Prepared: 4/4/16</p> <p>Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>City Auditor Office Approval: required for Code Ordinances <i>Tom</i></p> <p>City Attorney Approval: required for contract, code, easement, franchise, comp plan, charter <i>JR</i></p> <p>Council Meeting Date 4/13/16</p>	<p>CLERK USE: DATE FILED APR 05 2016</p> <p>Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <i>[Signature]</i> Deputy</p> <p>ACTION TAKEN:</p> <p>APR 13 2016 CONTINUED TO MAY 11 2016 9:30 A.M.</p> <p>MAY 11 2016 REFERRED TO AUDITOR'S OFFICE</p>
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AGENDA
<p>TIME CERTAIN <input checked="" type="checkbox"/></p> <p>Start time: 3:00pm</p> <p>Total amount of time needed: 45 minutes (for presentation, testimony and discussion)</p>
<p>CONSENT <input type="checkbox"/></p>
<p>REGULAR <input type="checkbox"/></p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:	
	YEAS	NAYS
1. Fritz	1. Fritz	
2. Fish	2. Fish	
3. Saltzman	3. Saltzman	
4. Novick	4. Novick	
Hales	Hales	