ORDINANCE NUMBER O-21098 (NEW SERIES)

DATE OF FINAL PASSAGE JUL 29 2019

AN ORDINANCE AMENDING CHAPTER 2, ARTICLE 7, DIVISION 40 OF THE SAN DIEGO MUNICIPAL CODE BY AMENDING SECTIONS 27.4002 AND 27.4017, RELATING TO THE CITY OF SAN DIEGO MUNICIPAL LOBBYING ORDINANCE.

WHEREAS, the San Diego Municipal Code directs that the City of San Diego Ethics Commission (Ethics Commission) is responsible for regularly reviewing the City of San Diego (City) Municipal Lobbying Ordinance (Municipal Lobbying Ordinance) and proposing updates to the City Council for its review and approval; and

WHEREAS, the Municipal Lobbying Ordinance requires lobbying entities to make certain disclosures that alert the public when such entities provide financial benefits to City officials, as such payments may create an appearance of undue influence in an official’s decision-making process; and

WHEREAS, the Municipal Lobbying Ordinance does not presently include a provision requiring a connection between the subject matter of an entity’s lobbying efforts and the City official who is benefitting from the activity expense, which the Ethics Commission determined may lead to unintended consequences, such as requiring the disclosure of payments irrelevant to lobbying activity; and

WHEREAS, the Ethics Commission has recommended amending the ordinance to modify the definition of a reportable “activity expense,” which is a payment made to, or on behalf of, any City official or any member of a City official’s immediate family, by a lobbyist, lobbying firm, or organization lobbyist; and
WHEREAS, the Ethics Commission has proposed amendments that limit the disclosure of activity expenses to those situations in which there is a connection between the entity's lobbying efforts and the City official benefitting from the payment; and

WHEREAS, amendments provide that such expenses will be reportable if during the previous 12 months the lobbyist, lobbying firm, or organization lobbyist engaged in lobbying the City official’s department, agency, or City board; or, if during the following 12 months it would be reasonably foreseeable that the lobbyist, lobbying firm, or organization lobbyist will be engaging in lobbying the City official’s department, agency, or City board; and

WHEREAS, the disclosure of employment-related activity expenses would be changed from specific dollar amounts to dollar ranges, as this could potentially involve situations in which individual salaries must be disclosed and implicate privacy rights; and

WHEREAS, amendments thus provide that the amount of the activity expense made during the reporting period may be expressed as one of seven disclosure categories, if the expense paid to a City official or a member of a City official’s immediate family is employment-related, such as for salary, benefits, or contract services; and

WHEREAS, on June 5, 2019, the City Council’s Rules Committee considered the amendments proposed by the Ethics Commission, added additional disclosure levels for transparency, and unanimously voted to forward the Commission's recommendations to the full City Council; and

WHEREAS, the City Council has now considered the recommendations of the Ethics Commission; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:
Section 1. San Diego Municipal Code Chapter 2, Article 7, Division 40 is amended by amending sections 27.4002, and 27.4017, to read as follows:

§27.4002 Definitions

*Activity Expense* means any *payment* made to, or on behalf of, any *City Official* or any member of a *City Official’s immediate family*, by a *lobbyist*, *lobbying firm*, or *organization lobbyist* if (a) during the previous 12 months the *lobbyist*, *lobbying firm*, or *organization lobbyist* engaged in *lobbying* the *City Official’s* department, agency, or *City Board*; or (b) during the next 12 months it is reasonably foreseeable that the *lobbyist*, *lobbying firm*, or *organization lobbyist* will engage in *lobbying* the *City Official’s* department, agency, or *City Board*. *Activity expenses* include *gifts*, meals, consulting fees, salaries, and any other form of *compensation* to a *City Official* or a *City Official’s immediate family*, but do not include *contributions*.

Agent through Travel expenses [No change in text.]

§27.4017 Contents of Quarterly Disclosure Report

(a) Each *lobbying firm’s* quarterly disclosure report shall contain the following information:

(1) through (2) [No change in text.]

(3) an itemization of *activity expenses* that includes the following:

(A) through (E) [No change in text.]

(F) If an *activity expense* paid to a *City Official* or a member of a *City Official’s immediate family* is employment-related, such as an expense for salary, benefits, or contract services, the amount of
the *activity expense* made during the reporting period may be expressed in a statement that it exceeded $10 but did not exceed $2,500, that it exceeded $2,500 but did not exceed $10,000, that it exceeded $10,000 but did not exceed $25,000, that it exceeded $25,000 but did not exceed $50,000, that it exceeded $50,000 but did not exceed $75,000, that it exceeded $75,000 but did not exceed $100,000, or that it exceeded $100,000.

(4) through (10) [No change in text.]

(b) Each *organization lobbyist*’s quarterly disclosure report shall contain the following information:

(1) through (2) [No change in text.]

(3) an itemization of *activity expenses* that includes the following:

(A) through (D) [No change in text.]

(E) If an *activity expense* paid to a *City Official* or a member of a *City Official’s immediate family* is employment-related, such as an expense for salary, benefits, or contract services, the amount of the *activity expense* made during the reporting period may be expressed in a statement that it exceeded $10 but did not exceed $2,500, that it exceeded $2,500 but did not exceed $10,000, that it exceeded $10,000 but did not exceed $25,000, that it exceeded $25,000 but did not exceed $50,000, that it exceeded $50,000 but did not exceed $75,000, that it exceeded $75,000 but did not exceed $100,000, or that it exceeded $100,000.
(4) through (10) [No change in text.]

(c) [No change in text.]

Section 2. A full reading of this ordinance is dispensed with prior to passage, a written copy having been made available to the Council and the public prior to the day of its passage.

Section 3. This ordinance shall take effect and be in force on the thirtieth day from and after its final passage.

APPROVED: MARA W. ELLIOTT, City Attorney

By Sharon B. Spivak
Senior Deputy City Attorney

SBS:jvg
06/11/19
Or.Dept: Ethics Commission
Doc. No.: 1989894_2

I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of JUL 23 2019.

ELIZABETH S. MALAND
City Clerk

By KEVIN L. FAULCONER, Mayor

Approved: 7/29/19
(date)

Vetoed: 
(date)

KEVIN L. FAULCONER, Mayor
STRIKEOUT ORDINANCE

OLD LANGUAGE: Struck-Out
NEW LANGUAGE: Double Underline

ORDINANCE NUMBER O-________________ (NEW SERIES)

DATE OF FINAL PASSAGE ________________

AN ORDINANCE AMENDING CHAPTER 2, ARTICLE 7, DIVISION 40 OF THE SAN DIEGO MUNICIPAL CODE BY AMENDING SECTIONS 27.4002 AND 27.4017, RELATING TO THE CITY OF SAN DIEGO MUNICIPAL LOBBYING ORDINANCE.

§27.4002 Definitions

"Activity Expense" means any payment made to, or on behalf of, any City Official or any member of a City Official’s immediate family, by a lobbyist, lobbying firm, or organization lobbyist: if (a) during the previous 12 months the lobbyist, lobbying firm, or organization lobbyist engaged in lobbying the City Official’s department, agency, or City Board; or (b) during the next 12 months it is reasonably foreseeable that the lobbyist, lobbying firm, or organization lobbyist will engage in lobbying the City Official’s department, agency, or City Board. Activity expenses include gifts, meals, consulting fees, salaries, and any other form of compensation to a City Official or a City Official’s immediate family, but do not include contributions.

Agent through Travel expenses [No change in text.]

§27.4017 Contents of Quarterly Disclosure Report

(a) Each lobbying firm’s quarterly disclosure report shall contain the following information:

(1) through (2) [No change in text.]

(3) an itemization of activity expenses that includes the following:
(A) through (E) [No change in text.]

(E) If an activity expense paid to a City Official or a member of a City Official's immediate family is employment-related, such as an expense for salary, benefits, or contract services, the amount of the activity expense made during the reporting period may be expressed in a statement that it exceeded $10 but did not exceed $2,500, that it exceeded $2,500 but did not exceed $10,000, that it exceeded $10,000 but did not exceed $25,000, that it exceeded $25,000 but did not exceed $50,000, that it exceeded $50,000 but did not exceed $75,000, that it exceeded $75,000 but did not exceed $100,000, or that it exceeded $100,000.

(4) through (10) [No change in text.]

(b) Each organization lobbyist's quarterly disclosure report shall contain the following information:

(1) through (2) [No change in text.]

(3) An itemization of activity expenses that includes the following:

(A) through (D) [No change in text.]

(E) If an activity expense paid to a City Official or a member of a City Official's immediate family is employment-related, such as an expense for salary, benefits, or contract services, the amount of the activity expense made during the reporting period may be expressed in a statement that it exceeded $10 but did not exceed $2,500, that it exceeded $2,500 but did not exceed $10,000, that it exceeded $10,000 but did not exceed $25,000, that it exceeded $25,000 but did not exceed $50,000, that it exceeded $50,000 but did not exceed $75,000, that it exceeded $75,000 but did not exceed $100,000, or that it exceeded $100,000.
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(4) through (10) [No change in text.]

(c) [No change in text.]

SBS:jvg
06/17/19
Or.Dept: Ethics Commission
Doc. No.: 1989919_2
Passed by the Council of The City of San Diego on JUL 23 2019, by the following vote:

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Date of final passage JUL 29 2019.

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage, to wit, on JUL 09 2019, and on JUL 23 2019.

I FURTHER CERTIFY that said ordinance was read in full prior to passage or that such reading was dispensed with by a vote of five members of the Council, and that a written copy of the ordinance was made available to each member of the Council and the public prior to the day of its passage.

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

Office of the City Clerk, San Diego, California

Ordinance Number O- 21098