

ORDINANCE NO. 1949

**AN ORDINANCE OF THE CITY OF SANTA CLARA,
CALIFORNIA, ADDING CHAPTER 2.155 (“REGULATION
OF LOBBYING ACTIVITIES”) TO TITLE 2
 (“ADMINISTRATION AND PERSONNEL”) OF “THE CODE
OF THE CITY OF SANTA CLARA, CALIFORNIA”**

BE IT ORDAINED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the citizens of Santa Clara have a right to know the identity of interests which attempt to influence decisions of City government, as well as the means employed by those interests;

WHEREAS, complete public disclosure of the full range of activities by and financing of lobbyists and those who employ their services is essential to the maintenance of citizen confidence in the integrity of City government;

WHEREAS, it is in the public interest to ensure that lobbyists do not misrepresent facts, their positions or attempt to deceive a City official through false communications; do not place a City official under personal obligation to themselves or their clients; and do not represent that they can control the actions of any City official; and,

WHEREAS, it is in the public interest to adopt this chapter to ensure adequate and effective disclosure of information about efforts to lobby City government.

NOW THEREFORE, BE IT FURTHER ORDAINED BY THE CITY OF SANTA CLARA AS FOLLOWS:

SECTION 1: That Chapter 2.155 (“Regulation of Lobbying Activities”) of Title 2 (“Administration and Personnel”) of “The Code of the City of Santa Clara, California” (“SCCC”) is added to read as follows:

“CHAPTER 2.155

REGULATION OF LOBBYING ACTIVITIES

Sections:

- 2.155.010 Interpretation.
- 2.155.020 Definitions.
- 2.155.030 Registration.
- 2.155.040 Annual registration renewal.
- 2.155.050 Termination of lobbyist status.
- 2.155.060 Active status.
- 2.155.070 Registration fees.
- 2.155.080 Required registration information.
- 2.155.090 Semi-annual reports.
- 2.155.100 Records retention.
- 2.155.110 Lobbyist identification.
- 2.155.120 Prohibitions.
- 2.155.130 Gifts.
- 2.155.140 Enforcement.
- 2.155.150 Injunction.
- 2.155.160 Practice restrictions.
- 2.155.170 Exemptions.

2.155.010 Interpretation.

Unless the term is specifically defined in this chapter or the contrary is stated or clearly appears from the context, the definitions set forth in Government Code Sections 81000 et seq., shall govern the interpretation of this Chapter.

2.155.020 Definitions.

For the purposes of this Chapter, the following definitions shall be applicable:

- (a) “Activity expense” means any payment made by a lobbyist to or directly benefiting any City official, City official-elect or member of his or her immediate family. Activity expenses include gifts, honoraria, consulting fees, salaries and any other form of compensation, but do not include campaign contributions.

(b) “Administrative action” means the proposal, drafting, development, consideration, advocacy or recommendation of any rule, regulation, agreement or contract, permit, license or hiring action.

(c) “City official” means any public official, legislative staff member or City employee who participates in the consideration of any legislative or administrative action other than in a purely clerical, secretarial or ministerial capacity. It shall also include any City board or commission member, or City representative to any joint powers authority to which the City is a party, and any consultant to the City.

(d) “Client” means a person who is represented by a lobbyist.

(e) “Compensation” includes, but is not limited to, money of any denomination or origin; goods or services or anything of value, delivered or rendered; or promises to perform or provide services or contractual arrangements or awards.

(f) “Gift” means gift as defined in the California Political Reform Act, Government Code Section 81000 et seq., as amended from time to time.

(g) “Influencing” means the purposeful communication, either directly or through agents, promoting, supporting, modifying, opposing, causing the delay or abandonment of conduct, or otherwise intentionally affecting the behavior of a City official or official-elect, by any means, including, but not limited to, providing or using persuasion, information, incentives, statistics, studies or analyses; excepted from this definition is communication made as a part of a noticed governmental public meeting.

(h) “Legislative action” means the drafting, introduction, consideration, modification, enactment or defeat of any resolution, ordinance, amendment thereto, report, nomination or other action of the Mayor, City Council, Santa Clara Stadium Authority, City of Santa Clara Housing

Authority, any other joint powers authority of which the City is a party, or City board or commission, acting in its official capacity.

(i) "Lobbying" is the influencing or attempting to influence a legislative or administrative action of the City.

(j) "Lobbyist," unless exempt under Subsection 4 hereunder, means:

(1) Contract lobbyist. A person who engages in lobbying on behalf of one (1) or more clients (acting individually or through agents, associates, employees or contractors) and who has received or has entered into an agreement for compensation of one thousand dollars (\$1,000.00) or more, or equivalent non-monetary compensation ("threshold compensation") for engaging in lobbying during any consecutive three (3) month period;

(2) Business or organization lobbyist. Any business or organization, whose owner(s), officer(s) or employee(s) carry out lobbying on its behalf, in an aggregate amount of ten (10) hours or more within any consecutive twelve (12) month period, whether or not such officers or employees are specifically compensated to engage in lobbying; provided that the activities of officers shall be considered lobbying only if those officers receive compensation by the business or organization beyond reimbursement for their reasonable travel, meals or incidental expenses; or,

(3) Expenditure lobbyist. A person who makes payments or incurs expenditures of five thousand dollars (\$5,000.00) or more during any calendar year in connection with carrying out public relations, advertising or similar activities with the intent of soliciting or urging, directly or indirectly, other persons to communicate directly with any City official in order to attempt to influence legislative or administrative action. The five thousand dollars (\$5,000.00) threshold shall not include: (A) Compensation paid to contract lobbyists or employees for lobbying; or (B) Dues

payments, donations, or other economic consideration paid to an organization, regardless of whether the dues payments, donations or other economic consideration are used in whole or in part to lobby.

(k) Exemptions to “lobbyist” include:

(1) Any public official acting in his or her official capacity or acting within the scope of his or her employment or appointment;

(2) The media, when limiting its action to the ordinary course of news gathering or editorial activity, as carried out by members of the press. “Media” shall mean newspapers or any other regularly published periodical, radio or television station or network or information published on the internet;

(3) Persons reimbursed for only their reasonable travel, meals or incidental expenses, including but not limited to, uncompensated members or directors of nonprofit organizations, such as chambers of commerce;

(4) Persons whose communications regarding any legislative or administrative action are limited to appearing or submitting testimony at any public meeting held by the City or any of its agencies, offices, or departments, as long as the communications thereto are public records available for public review. Notwithstanding the foregoing, persons who otherwise qualify as lobbyists must register and disclose their lobbying activities directed toward City officials, in the same manner and to the same extent such registration and disclosure is required of all other lobbyists;

(5) Persons submitting bids or responding to requests for proposals, provided the provision of such information is limited to direct conversation or correspondence with the official or department specifically designated to receive such information;

(6) Persons providing oral or written information pursuant to a subpoena or otherwise compelled by law or regulation, or in response to an official request provided that the request and response thereto are public records available for public review;

(7) Designated representatives of a recognized employee organization whose activities are limited to communicating with city officials or their representatives regarding (i) wages, hours and other terms or conditions of employment, or (ii) the administration, implementation or interpretation of an existing employment agreement;

(8) Persons who are professionally licensed by a state licensing organization pursuant to the California Business & Professions Code, including, but not limited to, attorneys, architects and engineers; provided however, the exemption for attorneys shall only be applicable if the attorney is engaged in the practice of law with respect to the subject of the employment;

(9) Board members or employees of nonprofit 501(c)(3) corporations, unless the non-profit organization is lobbying for a specific project, issue or person for which the organization has received compensation or a contribution to lobby for or against a specific project, issue or person; or,

(10) Members of neighborhood associations.

(l) "Organization" means any person that is not an individual.

(m) "Person" means any individual, domestic or foreign corporation, for-profit or nonprofit entity, firm, association, syndicate, union, chamber of commerce, joint-stock company, partnership of any kind, limited liability company, common-law trust, society, or any other group of persons acting in concert.

2.155.030 Registration.

Lobbyists shall register with the City Clerk within fifteen (15) days after qualifying as a lobbyist under Section 2.155.020. Should a lobbyist have a change to its registration information, including, but not limited to, the legislative or administrative action for the City as to which the lobbyist has been engaged, after the annual registration period, such lobbyist shall file an amended registration with the City Clerk within fifteen (15) days of such change with the changed information.

2.155.040 Annual registration renewal.

A lobbyist shall renew his or her registration by January 15 of each year unless he or she has terminated their status as a lobbyist pursuant to Section 2.155.050, by such date.

2.155.050 Termination of lobbyist status.

After initial registration, annual registration renewal will not be required if a declaration attesting to the termination of lobbying services within the City has been filed with the City Clerk no later than January 15.

2.155.060 Active status.

All registrations, renewals and terminations will be deemed filed on the date received by the City Clerk. A lobbyist shall be deemed active for the duration of the year of registration ending December 31, unless a declaration attesting to termination of lobbying services within the City is filed.

2.155.070 Registration fees.

Persons subject to the registration requirements of this ordinance shall pay an annual fee set by resolution of the City Council. Persons registering for the first time after June 30 of a given year shall pay a reduced registration fee set by resolution of the City Council.

(a) The applicable registration fee is due at the time of registration or registration renewal. Payment will be deemed delinquent thereafter. Delinquency fees may be assessed as specified in subsection (c) below, if payment occurs after the due date.

(b) In addition to the annual fee, each registrant shall pay a fee set by resolution of the City Council per client for whom lobbying is undertaken for compensation in excess of five hundred dollars (\$500.00). The fees for clients as of the date of initial registration shall be submitted with the registration. The fees for subsequent clients shall be due and submitted within fifteen (15) days of such change with the changed information pursuant to Section 2.155.030.

(c) A fine of twenty-five dollars (\$25.00) per day for delinquent fees, up to a maximum of five hundred dollars (\$500.00), will be assessed until in compliance with the registration provisions herein.

2.155.080 Required registration information.

The initial registration shall contain the name, business address, telephone, email addresses and, if applicable, business license of all persons required to register pursuant to this Chapter, including the names of all owners of sole proprietorships and partnerships of fewer than ten (10) persons. If the registrant is a corporation, it shall also include the names of the president, secretary, chief financial officer, and agent for service of process, if any. Any business or organization registering under this act shall also briefly describe the nature of its business or organization and contact individual. In addition to this information, the report shall contain the following:

(a) Contract lobbyists. The name, business address, telephone number of each client, the nature of each client's business and the item(s) of legislative or administrative action the lobbyist is seeking to influence on behalf of the client; and the name of each person employed or retained by the lobbyist to lobby on behalf of each client.

(b) Business or organization lobbyists. The names of owners, officers or employees conducting lobbying activities and the item(s) of legislative or administrative action the lobbyist is seeking to influence.

(c) Expenditure lobbyists. The item(s) of municipal legislative or administrative action the lobbyist is seeking to influence.

(d) Payment received by the reporting lobbyist for services as a consultant or in any other capacity for services rendered to a City agency, any City official or any City official-elect or their controlled committees, any officeholder committee, or ballot measure committee. The dates of payment and name of each payer shall be included.

(e) The name, address, title and telephone number of the person responsible for preparing the report, together with that individual's signature attesting to the authority of the signatory and the accuracy and truthfulness of the information submitted.

2.155.090 Semi-annual reports.

Semi-annual reports for the prior six (6) month period are to be filed with the City Clerk on or before July 15 and January 15 of each year, whether or not any lobbying activities have occurred during such period. Electronic reporting may also be permitted by the City Clerk. Each semi-annual report shall contain the same information as required to be disclosed in the initial registration, for those activities occurring in that period. If a lobbyist has terminated all lobbying activities during such period, the lobbyist may file a declaration of termination with the semi-annual report. The final semi-annual report shall include disclosure of any lobbying activities during the period of termination.

2.155.100 Records retention.

All information, reports and statements required to be filed under the provisions of this chapter shall be compiled and preserved by the City pursuant to the City's records retention schedule and shall be open to public inspection. Copies of the records pertaining to the above-required reports shall be preserved by the lobbyist for inspection and audit for a period of four (4) years from date of production.

2.155.110 Lobbyist identification.

When appearing in a lobbying capacity at any meeting with a city official or at a public meeting of the City Council or any other city board, commission or hearing, a contract lobbyist shall identify himself/herself and the client(s) on whose behalf he/she is appearing, and a business or organization lobbyist shall identify himself/herself and the business or organization he/she represents.

2.155.120 Prohibitions.

It shall be unlawful for any lobbyist to commit any of the following acts:

(a) Unregistered Lobbying. Acting as a lobbyist in the City without having registered in compliance with this chapter, or knowingly to employ a person or entity to serve as a lobbyist when such person is not registered pursuant to this chapter.

(b) Unauthorized Communications. Sending or causing any communication to be sent to any City official in the name of any nonexistent person or in the name of an existing person without the express or implied consent of such person.

(c) Indirect Violations. Attempting to evade the requirements of this chapter through indirect efforts or through the use of agents, associates, intermediaries or employees.

(d) Creation of Obligations. Performing or sponsoring any act with the purpose and intent of placing any City official under personal obligation to the lobbyist.

(e) Contingent Compensation. Compensation for lobbying activity when the compensation is directly dependent on the result of legislative or administrative action(s) that are the subject of the lobbying activity.

2.155.130 Gifts.

It shall be unlawful for any lobbyist to deliver or cause to be delivered any gift to any City official, and for any City official to accept any gift from a lobbyist.

2.155.140 Enforcement.

Persons or entities that knowingly violate this chapter may be subject to penalties as set forth in SCCC 1.05.070.

2.155.150 Injunction.

The City Attorney may seek injunctive relief in the courts to enjoin violations of or to compel compliance with the provisions of this chapter.

2.155.160 Practice restrictions.

No person convicted of a violation of this chapter may act as a lobbyist or otherwise attempt to influence municipal legislation for compensation for one (1) year after such conviction.

2.155.170 Exemptions.

Any person who in good faith and on reasonable grounds believes that he or she is not required to comply with the provisions of SCCC 2.155.030 by reason of his or her being exempt under SCCC 2.155.020(k) shall not be deemed to have violated the provisions of SCCC 2.155.030 if, within fifteen (15) days after notice from the City, he or she either complies or furnishes satisfactory evidence to the City that he or she is exempt from registration.”

SECTION 2: Savings clause. The changes provided for in this ordinance shall not affect any offense or act committed or done or any penalty or forfeiture incurred or any right established or accruing before the effective date of this ordinance; nor shall it affect any prosecution, suit or proceeding pending or any judgment rendered prior to the effective date of this ordinance. All fee schedules shall remain in force until superseded by the fee schedules adopted by the City Council.

SECTION 3: Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or word of this ordinance is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

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SECTION 4: Effective date. This ordinance shall take effect thirty (30) days after its final adoption; however, prior to its final adoption it shall be published in accordance with the requirements of Section 808 and 812 of “The Charter of the City of Santa Clara, California.”

PASSED FOR THE PURPOSE OF PUBLICATION this 15th day of December 2015, by the following vote:

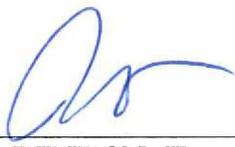
AYES:	COUNCILORS:	Caserta, Davis, Gillmor, Kolstad, Marsalli and O’Neill and Mayor Matthews
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST: 

ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

FINALLY PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA this 12th day of January 2016, by the following vote:

AYES:	COUNCILORS:	Caserta, Davis, Gillmor, Kolstad, Marsalli and O’Neill and Mayor Matthews
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST: 

ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference: None

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