



**Minutes for Special Meeting of  
Monday, March 20, 2006**

**Item-1: Call to Order**

Chairwoman Leonard called the meeting to order at 8:15 a.m.

**Item-2: Roll Call**

Present – Chairwoman Dorothy Leonard, Vice-Chair Larry Westfall, Commissioners Charles H. Dick, Jr., Karen Thomas-Stefano, Lee Biddle and Gil Cabrera (Lee Biddle left after the Open Session concluded).

Staff – Executive Director Stacey Fulhorst, General Counsel Cristie C. McGuire, Program Manager Steve Ross, Senior Investigator Lauri Davis, and Executive Secretary Katherine Hunt

**Item-3: Non-Agenda Public Comment**

None

**Item-4: Commissioner Comment**

None

**Item-5: Executive Director Comment**

None

**Item-6: General Counsel Comment**

None

**Item-7: Proposed Amendments to Municipal Lobbying Ordinance**

Director Fulhorst reported on the Purpose and Intent language and advised that it has been updated to incorporate the suggestions made at the last meeting. She advised this language will evolve as the Commission discusses changes to the ordinance.

She commented that the Commission discussed the potential problems associated with a \$1 registration threshold at the last meeting. She explained that even raising the threshold to \$500 would not prevent problems for law firms because once the firm reached the threshold, any activity that individual firm members engaged in (regardless of how minor) would have to be reported by the firm. She proposed that this issue be addressed through education and outreach to firms that employ lobbyists.

Director Fulhorst reported on the staff recommendations associated with exemptions. She explained one way of narrowing the focus of the ordinance was to identify those City officials who would be included within the definition of contacts with public officials. She pointed out that any contact with high level unclassified employees and their staffs (such as at the director or deputy director level) for the purpose of influencing a municipal decision would probably constitute lobbying activity. She pointed out that the Lobbying Ordinance currently includes all City employees, unclassified as well as classified that are involved in the decision-making process.

Commissioner Cabrera questioned the purpose of requiring lobbyist employers register.

Director Fulhorst explained that the purpose was to provide disclosure of a firm's other activities such as gift-giving or campaign contributions which would not be disclosed by the individual lobbyist.

Commissioner Cabrera suggested dropping the current compensation threshold and also having the individual lobbyists disclose what firm they are employed by to avoid registration of lobbyist employers.

Commissioner Westfall commented about City boards and commissions and questioned whether it made a difference if the board was advisory in nature.

Ms. McGuire advised that, although community planning boards and other advisory groups are recognized by the City, they are separate entities from the City because their appointment processes do not involve any City action.

Director Fulhorst suggested having staff meet with staff of other potentially affected City departments to gauge how the proposed exemptions may affect them and report their findings at the next meeting.

Commissioner Westfall questioned why registration is necessary because he believes the current disclosure forms don't provide much useful information

Director Fulhorst responded the Commission will consider the contents of registration and quarterly disclosure reports at an upcoming meeting.

Kevin Heneghan commented regarding the exemption for ministerial actions and recommended that the ordinance include language which separates classified staff from unclassified. He also recommended that the Commission adopt the limited exemption for experts supplying technical data. With regard to the exemption for requesting advice or information from the City, he recommended that the Commission also include any requests for interpretation of City laws, regulations or policies.

Jerry Livingston commented regarding potential problems with the exemption for experts employed by lobbyist.

Nancy Graham with Center City Development Corporation [CCDC] explained why she believes CCDC should be exempt from the lobbying ordinance.

Commissioner Cabrera questioned CCDC's policy on gifts.

Nancy Graham responded that CCDC officials are subject to the same gift disclosure laws as City officials, and added that CCDC employees do not provide gifts to other City Officials.

Commissioner Dick commented that including all the exemptions may be an indication that the ordinance is overreaching.

Director Fulhorst responded that one way to simplify the ordinance is to limit its application to contacts with unclassified employees. However, she advised there are classified employees in the City's Purchasing Department that are required to disclose their economic interests and are making decisions regarding purchasing supplies and equipment for the City. She pointed it out that it is unlikely that the sales representatives that have contact with these City employees are registering as lobbyists.

Chairwoman Leonard recommended limiting the ordinance to unclassified employees and members of those City boards and commissions that have decision-

making responsibilities such as the Planning Commission. She added that this proposal would eliminate the advisory groups.

Chairwoman Leonard asked the Commission to provide direction to staff.

Commissioner Biddle commented that it's important to create a simple and understandable ordinance to prevent discouraging community involvement. He added that having the exemption for experts may not be necessary if the ordinance only includes senior unclassified City employees.

Director Fulhorst commented that, from an enforcement perspective, she would like to address the problems concerning the registration of in-house lobbyists. In particular, she explained that it is difficult to calculate an individual's total compensation and time worked on a project. She recommended an alternate threshold based on number of contacts to address these lobbyists.

Chairwoman Leonard suggested that staff narrow the list of exemptions, focus on who should be registered as a lobbyist, and decide whether to limit the ordinance to the unclassified staff and certain City boards.

Commissioner Cabrera commented that the main objective of the ordinance should be to regulate private contacts with public decision-makers and to strive for simplicity for enforcement purposes. He added that a key issue is whether a lobbyist has any influence over a public official. He commented that the public should have the same access to public officials as lobbyists.

Chairwoman Leonard commented regarding exemptions for attorneys and asked for the Executive Director's suggestion.

Director Fulhorst responded that she believes the issues associated with this exemption can be resolved if contacts are limited to unclassified employees.

Chairwoman Leonard asked if the Commission would like the ordinance to require the firm to register or only the individual employees.

Commissioner Cabrera suggested limiting the reporting to contact with high level City officials, lowering the compensation threshold, and requiring that lobbyists disclose their clients or employers when registering.

Commissioner Westfall suggested that, in addition to a low compensation threshold, the ordinance should also require disclosure of any campaign contributions made or fundraising by lobbyists.

Commissioner Stefano asked about the proposed exemption for certain experts.

Director Fulhorst explained that some other jurisdictions exempt experts who accompany registered lobbyists. She added, however, that the public may want to have information regarding all the individuals present at a meeting with a public official.

Chairwoman Leonard suggested staff keep the dollar threshold and limit the ordinance to unclassified employees. In addition, she suggested staff contact council staff and other high level unclassified personnel to determine the impact of this proposal.

Commissioner Dick commented that the ordinance should not apply to individuals who contact public officials for their own private interests. He suggested staff consider a definition of lobbying to include acting on behalf of another.

Director Fulhorst asked if the Commission wanted the ordinance to only address paid third party lobbyists or also address employees of companies paid in-house to engage in the same lobbying activities.

Commissioner Dick suggested that if a large corporation has a paid lobbyist on staff it would be useful to have that person register.

Director Fulhorst pointed out that at the last meeting staff provided a report which included some proposed criteria for distinguishing between large and small companies. She added that the report pointed out a variety of potential problems with this approach.

Commissioner Stefano commented that the goal should be to achieve all the objectives of the ordinance without interfering with the public's right to have access to public officials.

Director Fulhorst requested specific direction from the Commission with respect to the registration threshold and exempt activities.

Chairwoman Leonard responded the Commission would like staff to: research the list of unclassified employees to determine which ones would be the object of lobbying efforts; eliminate all classified positions; research different City board and commission functions; and determine which exemptions can be eliminated. She advised that consideration of the purpose and intent language will be put on hold until the Commission is finished with the ordinance and staff will continue to research the possibilities of a \$1 registration threshold.

She reported that the ordinance review schedule will be adjusted and that the Commission will continue the current discussion regarding the registration threshold and exemptions at the next meeting. The topics previously scheduled for April 13 will be rescheduled to May 11.

**Item-8: Adjournment to Closed Session**

Chairwoman Leonard adjourned the meeting to Closed Session at approximately 9:45 a.m. She stated the Commission would reconvene into Open Session following the conclusion of Closed Session in order to report any action taken during the closed session portion of the meeting.

Commissioner Biddle left after the Commission adjourned to Closed Session.

**Reconvene to Open Session**

Chairwoman Leonard called the meeting back into open session at approximately 10:05 a.m.

**Reporting Results of Closed Session Meeting of March 20, 2006**

Vice-Chairperson Leonard reported the results of the Closed Session Meeting of March 20, 2006

**Item 1: Conference with Legal Counsel** (1 potential matter)

**Case No. 2005-78 – In re: Alleged Making of Contribution in Name of Another Person**

Motion: Dismiss  
Moved/Seconded  
Vote: Unanimous  
Excused: Biddle

**Adjournment**

The meeting adjourned at approximately 10:07 a.m.

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Dorothy Leonard, Chairwoman  
Ethics Commission

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Kathy Hunt, Executive Secretary  
Ethics Commission

***THIS INFORMATION WILL BE MADE AVAILABLE IN ALTERNATIVE FORMATS UPON REQUEST.***