

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Legislative	Lish Whitson/206-615-1674	N/A

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title:

AN ORDINANCE relating to lobbying regulations; expanding lobbying regulations to cover grassroots lobbying campaigns; correcting typographical errors, correcting section references, clarifying regulations, and making minor amendments; and amending Chapter 2.06 of the Seattle Municipal Code.

Summary and background of the Legislation:

This bill would expand the City’s lobbying regulations to require that grassroots lobbying campaigns register with the Seattle Ethics and Elections Commission (SEEC). The bill aligns City law with State law regarding lobbying campaigns intended to influence legislation. Currently there is no reporting required for campaigns that spend money to influence legislation if the campaign does not include directly lobbying decision-makers. Activities such as posting ads on social media encouraging participation in Council meetings and paying for signs and banners are not considered lobbying under current law. Consequently, the source of funding for these activities is hidden to the public and decision-makers. The proposed legislation would require registration by grassroots lobbying organizations.

The bill also makes the following changes:

- Extends lobbying regulations to lobbying of Directors of City Departments, their deputies and direct reports;
- Removes a requirement that January lobbying reports cover the previous year. Each quarter’s report will cover the previous quarter;
- Lobbying reports will need to include the names of people lobbied;
- Lobbying reports will need to include information about any political campaigns that the lobbyist or a business owned by the lobbyist worked on;
- Employers of lobbyists will need to include information about contracts they hold with the City; and
- Lobbyists who earn more than \$5,000 for lobbying the City are required to register with the City, even if they lobby fewer than four days a quarter.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes **X** No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

The proposed legislation would increase the number of organizations and individuals required to register as lobbyists with the City of Seattle. To the extent that the City's lobbying regulations are a) not being followed by these lobbyists, or b) require training and educating lobbyists on its requirements, the Commission's workload will increase. The Commission does not have staff to accommodate this increase in workload. A Strategic Advisor I or II to investigate this and other laws would help to provide sufficient staff to enforce the City's Ethics and Elections regulations. Fully loaded costs for these positions would range from \$155,000 to \$168,000.

The Commission considered adding registration fees to offset these costs. They ultimately decided not to recommend a specific fee because of impacts to grassroots organizations, particularly organizations serving Black, Indigenous, People of Color, and low-income communities.

Is there financial cost or other impacts of *not* implementing the legislation?

None identified.

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?**
The legislation was proposed by the Seattle Ethics and Elections Commission.
- b. Is a public hearing required for this legislation?**
No.
- c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**
No.
- d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.
- e. Does this legislation affect a piece of property?**
No.
- f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**

The proposed legislation will require additional disclosure by grassroots lobbying efforts. Some of these efforts are sponsored by organizations and groups of people supporting low-

income and Black, Indigenous, People of Color communities. Other efforts are organized by businesses and trade groups or wealthy homeowner associations. Additional transparency will provide additional information to the public to understand the provenance of and support or opposition to legislation proposed and adopted by the City. However, the addition of grassroots lobbying registration requirements will also increase the risk that ad hoc groups of people and organizations may inadvertently run afoul of the City's lobbying regulations and suffer penalties for noncompliance. The proposed bill does not include lobbying registration fees in order to reduce costs and impediments to these organizations registering as lobbyists, however there will be some administrative costs to complying with the requirements of the bill.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).

The proposed bill will provide additional information to the public regarding who is lobbying the City regarding legislation. The goal of this expansion is to increase transparency and accountability regarding lobbying efforts that are often opaque or hidden from the public. The legislation will require an increase in transparency.

List attachments/exhibits below:

None