

THE CITY AND COUNTY OF SAN FRANCISCO



LOBBYIST MANUAL

Regulation of Lobbyists

San Francisco Campaign and Governmental Code, Article II, Chapter 1

Instructions and Forms

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INTRODUCTION

Under San Francisco’s Lobbyist Ordinance, individuals and entities that qualify as lobbyists are required to register with the Ethics Commission and periodically disclose certain information about contacts with, and efforts to influence decisions by, City officers. Lobbyists are also subject to certain prohibitions.

The Ethics Commission administers the Lobbyist Ordinance and serves as the filing officer for all documents required to be filed pursuant to the Ordinance. The Commission produced this Lobbyist Manual to help lobbyists comply with their obligations under the Lobbyist Ordinance. In case of a conflict between this Manual and the Ordinance, the Ordinance prevails.

The Ethics Commission is located at 25 Van Ness Avenue, Suite #220, San Francisco, California, 94102-5302. The Commission may be reached at (415) 252-3100, or <http://www.ci.sf.ca.us/ethics>

WHO QUALIFIES AS A “LOBBYIST”?

There are three kinds of lobbyists:

- contract lobbyists;
- business and organization lobbyists; and
- expenditure lobbyists.

(Section 2.105(i)(1)-(3).)

I. Contract lobbyists.

An individual or entity qualifies as a contract lobbyist if the individual or entity is hired to lobby on behalf of another person and the individual or entity:

- earns \$3,200 or more in any consecutive three months in exchange for lobbying services,
OR
- has at least 25 separate contacts with City officers in any two consecutive months, for the purpose of influencing local legislative or administrative action.

To determine whether an individual or entity has reached the \$3,200 threshold, combine all payments the individual or entity received or became entitled to receive from all clients in exchange for lobbyist services during the three-month period preceding the date of registration.

A person is “entitled to receive” a payment when the payment is promised regardless of whether the promised payment is for services that will be performed within the reporting period.

To determine whether an individual or entity has reached the 25 contacts threshold, combine all contacts with City officers, made on behalf of all clients, during the two-month period preceding the date of registration.

Clients of a contract lobbyist (the persons on whose behalf the contract lobbyist is paid to lobby), and employees of a contract lobbyist are not themselves contract lobbyists. Clients and employees of a contract lobbyist are not subject to the registration and reporting requirements of the Lobbyist Ordinance.

II. Business and Organization Lobbyists.

Business and organization lobbyists are entities that lobby on their own behalf. Business and organization lobbyists may include for-profit and non-profit corporations and organizations, associations, and unions. Individual employees and members of business and organization lobbyists do not themselves qualify as lobbyists.

An entity qualifies as a business and organization lobbyist if the entity:

- Pays employees or members any amount to lobby on behalf of the entity,

AND

- the employees or members have at least 25 separate contacts with City officers, within a two-month period, for the purpose of influencing legislative or administrative action.

To determine whether an entity has reached the 25 contacts threshold, combine all contacts with City officers, made by employees and members on behalf of the entity during the two-month period. Contacts made by an employee or member who merely indicates his or her affiliation with the entity, but who does not represent the official position of the entity, are not included in this calculation.

With respect to labor unions, contacts with City officers made within the scope of collective bargaining do not count toward the 25 contacts threshold. Unions that do qualify as lobbyists based on other activities do not have to report collective bargaining contacts.

Examples:

- ◆ JKL Corporation employs Jose Garcia to influence legislative and administrative action on behalf of JKL. Mr. Garcia has 25 contacts in a two-month period with City officers, and these contacts are made for the purpose of influencing legislative and administrative action. JKL is a business and organization lobbyist. Mr. Garcia, an employee who lobbies on behalf of his employer, is not a lobbyist and has no filing obligations.
- ◆ Ken Choi is the director of a non-profit association. During a two-month period, Choi and other paid employees of the association speak with City officers to advocate legislative or administrative action. Although Mr. Choi has fewer than 25 contacts with City officers during that period, the aggregate total of contacts made by association

employees on behalf of the association exceeds 25. The association qualifies as a business and organization lobbyist. Mr. Choi and the other employees of the association are not themselves lobbyists, and have no filing obligations.

- ◆ Emma Graham volunteers her time to attempt to influence legislative and administrative action for a group of preservationists. The group, without doing more, is not a business and organization lobbyist and has no filing obligations. Mrs. Graham, as a volunteer lobbying on behalf of the group, is not a lobbyist and has no filing obligations.

III. Expenditure Lobbyists.

An individual or entity qualifies as an expenditure lobbyist if the individual or entity spends, directly or indirectly, more than \$3,200 within any three consecutive months to influence local legislative or administrative action. Payments made to contract lobbyists and other paid advocates do not count toward the \$3,200 threshold.

Similarly, dues payments, donations, and other payments to any business and organization lobbyist or expenditure lobbyist, regardless of whether the payments are used in whole or in part to influence local legislative or administrative action, do not count toward the \$3,200 threshold.

WHAT DOES IT MEAN TO “CONTACT” CITY OFFICERS?

As explained in the preceding section, one can qualify as a contract or business and organization lobbyist based in part on “contacts” with City officers. A “contact” is an oral or written communication made for the purpose of influencing local legislative or administrative action. (Section 2.105(d).)

WHO ARE “CITY OFFICERS”?

As explained above, persons may qualify as contract or business and organization lobbyists based on their contacts with “City Officers.” For purposes of the Lobbyist Ordinance, “City Officers” include:

- elected officials;
- the Controller;
- the City Administrator;
- department heads;
- members of City boards and commissions;
- members of the Board of Education;
- members of the Governing Board of the Community College District;
- members of the Housing Authority;
- members of the Redevelopment Agency;
- members of the Transportation Authority;
- the Superintendent of Schools;
- the Clerk of the Municipal Court; and

- the Secretary and Jury Commissioner of the Superior Court.

Under limited circumstances, contacts with individuals other than City officers are considered contacts with City officers for purposes of determining whether an individual or entity qualifies as a lobbyist and for reporting purposes. If a lobbyist communicates with City staff for the purpose of influencing local legislative or administrative action, and the communication is intended or reasonably could be expected to be conveyed to a City officer, the communication is deemed to be a contact with the officer. (See Advice Letter to John Taylor, dated November 15, 1993.)

WHAT KINDS OF COMMUNICATION ARE EXEMPT?

The Lobbyist Ordinance explicitly exempts certain kinds of communications with officers from the definition of “contact.” (Section 2.105(d)(1)(A)-(P).) The exempt communications do not count for purposes of determining whether an individual or entity has qualified as a lobbyist (i.e., they do not count toward the 25-contacts threshold). The exempt communications include, but are not limited to, communications by an individual (or entity):

- Acting as a public official in his or her official capacity.
- Representing a news media organization and gathering news and information or disseminating news and information to the public.
- Providing oral or written testimony that becomes part of the record of a public hearing. (If the person has already qualified as a lobbyist and is testifying on behalf of a client, the person’s testimony must identify the client on whose behalf the person is testifying.)
- Providing legal or architectural services that lawfully can be performed only by an attorney or an architect licensed to practice in the State of California.
- Making a speech or publishing material that is distributed and made available to the public through a medium of mass communication.
- Providing written information in response to an oral or written request made by a City officer, provided that the written information is a public record available for public review.
- Providing oral or written information pursuant to a subpoena.
- Providing oral or written information in response to a Request for Proposals, Request for Qualifications, or other similar request.
- Submitting a written petition for local legislative or administrative action, provided that the petition is a public record available for public review.

- Making an oral or written request for a meeting, for the status of an action, or similar administrative request, if the request does not include an attempt to influence local legislative or administrative action.
- Appearing before a City officer pursuant to an established procedure for levying real property assessments.
- Employing or retaining an expert by a registered lobbyist to provide information to a City officer.
- Distributing to a City officer any regularly published newsletter or other periodical which is not published for the primary purpose of influencing local legislative or administrative action.
- Disseminating information or material to all or a significant segment of the person's employees or members.
- Communicating with City officers in connection with the administration of an existing City contract. This includes, but is not limited to, communication regarding: insurance and bonding; contract performance and default; requests for in-scope change orders; legislative mandates imposed on contractors by the City; payments and invoicing; personnel changes; prevailing wage verification; liquidated damages and other penalties for breach of contract; audits; assignment; and subcontracting.
- Applying for, opposing or otherwise taking any position on a grading permit or a permit relating to the construction, alteration, demolition or moving of a building. (If a person appeals or represents another person in an appeal from an administrative determination made concerning this kind of permit, the person may qualify as a lobbyist.)
- Filing, opposing or otherwise taking a position on a parcel map or subdivision tract map. (If a person appeals or represents another person in an appeal from an administrative determination made concerning a map, the person may qualify as a lobbyist.)

INITIAL REGISTRATION

Registration is required within 10 days of the date that an individual or entity meets the qualification thresholds described above and qualifies as a lobbyist. (Section 2.110(a),(b); Regulation 2.110(a)-1.)

No individual or entity that qualifies as a contract or business or organization lobbyist shall contact any City officers without first registering with the Ethics Commission and complying with the disclosure requirements imposed by the Lobbyist Ordinance. Similarly, no individual or entity that qualifies as an expenditure lobbyist shall make payments to influence local legislative or administrative action without first registering with the Ethics Commission and complying with the applicable disclosure requirements. (Section 2.110(a).)

At the time of initial registration, the lobbyist must report certain information about efforts to influence local legislative or administrative action during the three-month period preceding the date of qualification. (Section 2.110(b).) For this reason, persons who attempt to influence local legislative or administrative action, but who have not yet qualified as lobbyists, should keep adequate records of their activity in order to provide the information required at the time of initial registration.

At the time of initial registration, all lobbyists must pay a registration fee. In addition, contract lobbyists must pay a fee for each client. (Section 2.110(e)(1) & (2).) The fee schedule is as follows:

If you initially register:	The lobbyist registration fee is:	And the per client fee is:
January 1 - March 31	\$500	\$75
April 1 - June 30	\$375	\$56.25
July 1 - September 30	\$250	\$37.50
October 1 - December 31	\$125	\$18.75

All lobbyists must submit the following forms upon initial registration:

Contract Lobbyists:

- Lobbyist Cover Sheet;
- Form 1A, Initial Registration Report for Contract Lobbyists; and
- Form 4, Client Authorization Statement (if applicable).

Business and Organization Lobbyists:

- Lobbyist Cover Sheet; and
- Form 1B, Initial Registration Report for Business & Organization Lobbyists.

Expenditure Lobbyists:

- Lobbyist Cover Sheet; and
- Form 1C, Initial Registration Report for Expenditure Lobbyists.

RE-REGISTRATION

Lobbyists must re-register each year no later than **January 15**. (Section 2.110(c).) In addition, contract lobbyists must re-register each client on **January 15** (unless the lobbyist ceased all activity for the client and filed a client termination statement for that client). At the time of re-registration, lobbyists must pay a **\$500** re-registration fee. Contract lobbyists must also pay a **\$75** re-registration fee per client. (Section 2.110(e).)

All lobbyists must submit the following forms upon re-registration:

Contract Lobbyists:

- Lobbyist Cover Sheet; and
- Form 2A, Annual Re-Registration Report for Contract Lobbyists.

Business and Organization Lobbyists:

- Lobbyist Cover Sheet; and
- Form 2B, Annual Re-Registration Report for Business & Organization Lobbyists.

Expenditure Lobbyists:

- Lobbyist Cover Sheet; and
- Form 2C, Annual Re-Registration Report for Expenditure Lobbyists.

QUARTERLY REPORTS

As indicated above, once an individual or entity qualifies as a lobbyist, registration is required. The initial registration report covers the three-month period immediately preceding the date of qualification. After a lobbyist registers with the Ethics Commission, the lobbyist is required to file quarterly reports as follows:

<u>Reporting Period</u>	<u>Filing Deadline</u>
1st Quarter: January 1 - March 31	April 15
2nd Quarter: April 1 - June 30	July 15
3rd Quarter: July 1 - September 30	October 15
4th Quarter: October 1 - December 31	January 15

All lobbyists must submit the following forms when filing quarterly reports:

Contract Lobbyists:

- Lobbyist Cover Sheet; and
- Form 3A, Quarterly Report of Lobbyist Activity for Contract Lobbyists.

Business and Organization Lobbyists:

- Lobbyist Cover Sheet; and
- Form 3B, Quarterly Report of Lobbyist Activity for Business & Organization Lobbyists.

Expenditure Lobbyists:

- Lobbyist Cover Sheet; and
- Form 3C, Quarterly Report of Lobbyist Activity for Expenditure Lobbyists.

(Section 2.110(d).) No fees are required when filing quarterly reports.

The period covered by the first quarterly report may overlap with the period covered by the Initial Registration Report.

Example:

- ◆ On May 1, Jane Nguyen qualifies and registers as a lobbyist. Her initial registration report covers the period starting February 1 and ending May 1. The next report Ms. Nguyen files will be the quarterly report due no later than July 15 that covers the period starting April 1 and ending June 30.

REGISTRATION OF CLIENTS

At the time of initial registration, each contract lobbyist must submit to the Ethics Commission a written authorization from each client. (Section 2.110(f).) The Client Authorization Statement (Form 4) must be signed by both the contract lobbyist and the client.

If the lobbyist is retained by a client after the date of initial registration, the lobbyist must file a Client Authorization Statement before providing any lobbyist services to the client and before receiving any economic consideration from the client in exchange for such lobbyist services. In no event may the report be filed later than 15 days after being retained by the client. The lobbyist is not required to amend previously-filed registration, re-registration or quarterly reports to include a client who retains the services of the lobbyist after the time the report was filed.

If the lobbyist is retained by a client after the date of initial registration, the lobbyist may submit a copy of the Client Authorization Statement by facsimile, provided that the Ethics Commission receives the facsimile copy no later than the filing deadline and receives the original within 15 days of the filing deadline.

Contract lobbyists are required to pay a **\$75** per-client registration fee at the time they file a Client Authorization Statement. (Section 2.110(e).) Contract lobbyists are not required to resubmit Client Authorization Statements at the time of re-registration.

TERMINATION OF CLIENT REGISTRATION

Within 15 days after a client terminates the services of a contract lobbyist, the lobbyist must file a Client Termination Statement (Form 5) with the Ethics Commission. The Client Termination Statement must be signed by the contract lobbyist (the signature of the client is not required). (Section 2.110(g).)

A contract lobbyist may not provide lobbyist services to a client after a Client Termination Statement is filed until a new Client Authorization Statement has been filed for that client.

TERMINATION OF LOBBYIST REGISTRATION

Once an individual or entity qualifies as a “lobbyist,” the lobbyist is subject to all registration, reporting and other requirements and prohibitions imposed by the Lobbyist Ordinance until the lobbyist ceases all lobbyist activity and files a Lobbyist Termination Statement (Form 7) and Form 3A, 3B, or 3C (reporting all lobbyist activity from the first date of the quarter to the date of the Lobbyist Termination Statement).

Lobbyists must file a Lobbyist Termination Statement and Form 3A, 3B, or 3C no later than 30 days after the date the lobbyist ceased all lobbyist activity.

SUMMARY OF RESTRICTIONS AND REQUIREMENTS IMPOSED ON LOBBYISTS

1. Gift Ban.

Lobbyists are prohibited from making gifts to a City officer aggregating more than \$50 within three months of contacting the officer. Lobbyists are also prohibited from acting as an agent or intermediary in the making of any gift (regardless of value) to a City officer, or arranging such gifts from a third party, within three months of contacting the officer. (Section 2.115(a).)

2. Notification of Beneficiaries of Gifts.

Each lobbyist is required to notify each City officer who is the beneficiary of a gift made by the lobbyist, and provide the officer with a written statement including the date, value and description of the gift. The lobbyist must provide this information to the officer within 30 days following the end of the quarterly reporting period in which the gift was made. Lobbyists may satisfy this notification requirement by providing a copy of the lobbyist's Quarterly Report of Lobbyist Activity (Form 3) to the officer. (Section 2.125.) This notification provision applies to all gifts, regardless of value.

3. Reporting Employment of City Officers or Employees.

If a lobbyist employs a City officer, any immediate family member or registered domestic partner of a City officer, or a full-time City employee, the lobbyist is required to file a statement (Form 6) with the Ethics Commission. The statement must be filed within 10 days of commencement of the employment, and must include the name of the employee, the date first employed, the nature of the employment duties, and the salary or rate of pay of the employee. (Section 2.120(a).)

4. Reporting Employment of City Officers or Employees by a Client of the Lobbyist.

If any lobbyist requests, recommends or causes a client of the lobbyist to employ, and the client does employ, a City officer, any immediate family member or registered domestic partner of a City officer, or a full-time City employee, the lobbyist is required to file a statement (Form 6) with the Ethics Commission. (Section 2.120(a).)

5. Reporting Appointment of Employee to City Office.

If an employee of a lobbyist is appointed to City or County office, the lobbyist must file within 10 days after such appointment a statement (Form 6) with the Ethics Commission. (Section 2.120(b).)

6. Future Employment.

Lobbyists are prohibited from initiating local legislative or administrative action for the sole purpose of being employed or retained to secure its adoption or defeat. (Section 2.115(b).)

7. Fictitious Persons.

Lobbyists are prohibited from contacting any City officer in the name of a fictitious person, or in the name of a real person without that person's consent. (Section 2.115(c).)

8. Evasion of Obligations.

Lobbyists are prohibited from evading or attempting to evade the requirements of the Lobbyist Ordinance, through indirect efforts or through the use of agents or others. (Section 2.115(d).)

FILING DEADLINES AND MISCELLANEOUS FILING INFORMATION

1. Filing Deadlines.

Lobbyist reports and statements must be received by the Ethics Commission no later than 5:00 p.m. on or before the filing deadline in order to be considered timely filed. Documents received after 5:00 p.m. on the date of the deadline will be assessed a late filing fine of \$50 per calendar day until the report or statement is received by the Commission.

Whenever a filing deadline for a Lobbyist report or statement falls on a Saturday, Sunday or City holiday, the filing deadline is the next business day.

2. Filing Required unless Lobbyist Registration is Terminated.

Lobbyists are subject to all the requirements of the Lobbyist Ordinance unless a Lobbyist Termination Statement is filed. (See Manual, page 8, "Termination of Lobbyist Registration.") If a lobbyist has not engaged in any reportable activity during the reporting period, the lobbyist must file the Lobbyist Cover Sheet and check the box on the cover sheet indicating that no quarterly activity report is attached.

3. Filing Under Penalty of Perjury.

Lobbyists must verify, under penalty of perjury, the accuracy and completeness of the information required to be filed with the Ethics Commission. (Section 2.135.)

4. Filing Originals and Copies.

Lobbyists are required to file each completed, original form plus one copy of the form with the Ethics Commission. Lobbyist reports and statements must be typed or printed in ink. If the lobbyist wants a date-stamped copy of the forms, the lobbyist must provide an additional copy of the forms. If the lobbyist wants the Ethics Commission to mail the date-stamped copy, the lobbyist must also provide the Commission with a self-addressed, postage-paid envelope.

5. Filing Amended Forms.

The Lobbyist Cover Sheet includes a section in which lobbyists may indicate whether the filing is an original or an amendment. If amending previously filed forms, lobbyists must check the box “Amends form filed on...” and fill in the date of the previously filed form. Lobbyists must also fill in the supplemental information on the Cover Sheet and the appropriate form requiring the amended information. This form must be submitted with the Lobbyist Cover Sheet.

6. Registration, Re-Registration and Client Fees.

Lobbyists must pay all fees by check payable to the “City and County of San Francisco”. Fees may be waived for any organization submitting proof of tax-exempt status under 26 U.S.C. Section 501(c)(3) or Section 501(c)(4). Lobbyists must file this proof with the Ethics Commission at the time of initial registration and annual re-registration. (Section 2.110(e).)

7. Review of Filings by the Ethics Commission.

The Ethics Commission reviews all filed forms for timeliness, completeness and content. The Ethics Commission will return forms that are incomplete or lacking in sufficient detail. If the Ethics Commission returns a lobbyist’s form, the lobbyist must submit a complete, amended form within ten days.

8. Record Keeping.

Lobbyists are required to retain, for at least five years, all records and documents necessary to substantiate the registration and disclosure reports required to be filed under the Lobbyist Ordinance. (Section 2.135.)

9. Lobbyist Filings Are Public Documents.

All forms filed with the Ethics Commission are public records and are available to the public for review and copying. Lobbyists should be aware that individuals requesting to see the forms are not asked to identify themselves or provide any other information.

PENALTIES FOR VIOLATION OF THE LOBBYIST ORDINANCE

The Ethics Commission may impose administrative penalties of up to \$5,000 per violation of the Lobbyist Ordinance, or three times the amount not properly reported, or three times the amount given or received in excess of the gift limit, whichever is greater. (Section 2.145(b); Charter Section C3.699-13.)

Persons who knowingly or negligently violate the Lobbyist Ordinance may also be subject to civil penalties. (Section 2.145(c).) The City Attorney may bring an action to revoke for up to one year the registration of any lobbyist who knowingly violates the Lobbyist Ordinance. (Section 2.145(f).)

SPECIAL REPORTING ISSUES

1. Reporting Activity Expenses.

All lobbyists are required to report activity expenses. An activity expense is any expense incurred or payment made by a lobbyist (or a lobbyist's client at the behest of the lobbyist) or arranged by a lobbyist (or a lobbyist's client at the behest of the lobbyist), which benefits any: City officer; candidate for City elective office; aide to a member of the Board of Supervisors; or member of the immediate family or the registered domestic partner of an officer, candidate, or aide to a member of the Board of Supervisors. An expense or payment is not an “activity expense” unless it is incurred or made within three months of a contact with the officer, candidate, or Supervisor’s aide who benefits from the expense or payment, or whose immediate family member or registered domestic partner benefits from the expense or payment.

“Activity expenses” include gifts, honoraria, consulting fees, salaries, and any other form of economic consideration totaling more than \$30 in value in a consecutive three-month period, but do not include political contributions. (Section 2.105(a).)

Example:

- ◆ In January, a lobbyist pays \$100 for a luncheon for ten people (\$10 per person). Luncheon attendees include two City officers, AA and BB. Later in January, the lobbyist contacts each of the officers in an effort to influence local legislative or administrative action. The lobbyist gives BB a \$15 gift in February and a \$10 gift in March.

The lobbyist does not need to report any activity expenses for AA because the aggregate total of the benefit conferred on AA during the three-month period does not exceed \$30.

The lobbyist must report three separate activity expenses for BB: the \$10 meal, the \$15 gift and the \$10 gift. Although none of these expenditures confers a benefit of more than \$30, the aggregate total of the benefit conferred during the three-month period exceeds \$30. In addition, the lobbyist must report that the total cost of the luncheon was \$100, even though only \$10 of the \$100 is allocable to BB.

Example:

- ◆ BCD Corporation is a business and organization lobbyist. Lex Fletcher is an employee of BCD who is not in any way involved in BCD’s lobbying activities. Fletcher also serves on a City commission. The work of Fletcher’s commission is unrelated to BCD’s activities, and BCD does not lobby Fletcher or other members of the commission. Because BCD does not contact Fletcher for the purpose of influencing local legislative or administrative action, BCD is not required to report Fletcher’s salary as an activity expense. (However, BCD must report its employment of Fletcher on its quarterly report and on a Form 6, if applicable.)

Example:

- ◆ Sarah Smith is a long-time employee of BCD Corporation. Steve Smith, Sarah Smith's domestic partner, serves on a City commission. BCD occasionally lobbies Steve's commission. BCD may be required to report Sarah's salary as an activity expense, depending on whether and when BCD has contacted Steve. BCD must report only those salary payments to Sarah that are made within three months of a contact with Steve. Rather than report the precise dollar amount of the salary payments, BCD may report that the total salary payments made to Ms. Smith during the reporting period was less than or equal to \$250, greater than \$250 but less than or equal to \$1,000, greater than \$1,000 but less than or equal to \$10,000, or greater than \$10,000.

2. Reporting Political Contributions.

All lobbyists are required to report the total amount of political contributions made or delivered by the filer, or made by a client of the filer at the behest of the filer, during the reporting period. This report must include contributions arranged by the filer, or for which the filer acted as an agent or intermediary. Any contribution equaling \$100 or more must be itemized.

Lobbyists must report political contributions made to the following: a City officer; a candidate for city office; a committee controlled by a City officer or candidate for City office; a committee primarily formed to support or oppose a City officer or candidate for City office; a committee primarily formed to support or oppose a local ballot measure whether or not the committee is controlled by a City officer or candidate for City office.

Example:

- ◆ John Doe and Supervisor Reed are both running for a position on the San Francisco Democratic County Central Committee. Contract Lobbyist Jack Maguire contributes \$100 from his personal bank account to both John Doe's and Supervisor Reed's campaign committees for the San Francisco Democratic County Central Committee. Lobbyist Maguire does not have to report the contribution to John Doe because Doe is not a City officer or a candidate for City office. Lobbyist Maguire must, however, report the contribution to Supervisor Reed because it was made to a City Officer.

Example:

- ◆ Lobbyist Jack Maguire's friend, Joe Contributor, gives Maguire a check made out to Supervisor Reed's campaign committee. Lobbyist Maguire gives the check to Supervisor Reed. Lobbyist Maguire must report the check as a political contribution because it was delivered by Lobbyist Maguire.

Example:

- ◆ Lobbyist Jack Maguire urges his client to contribute \$500 to Supervisor Reed's campaign committee and \$50 to a local ballot measure committee. The client makes both of the contributions. Lobbyist Maguire must report both contributions because they were made

by the client at the behest of Lobbyist Maguire. Lobbyist Maguire need not itemize the \$50 political contribution because the contribution was less than \$100.

Example:

- ◆ XYZ Corporation retains Lobbyist Jack Maguire to provide a variety of lobbyist services. XYZ is not familiar with San Francisco politics. XYZ tells Maguire that it has \$3,000 available to contribute to local candidates and ballot measure campaigns, and asks Maguire to devise a plan for spending that money. Maguire determines that there are four local candidates who support legislation that would be beneficial to XYZ. Maguire also determines that there is one local ballot measure that, if adopted, would benefit XYZ. Maguire recommends that XYZ contribute to each of the four candidates and the ballot measure committee. XYZ follows this advice. Maguire must report XYZ's contributions because they were arranged by Maguire.

Example:

- ◆ BCD Corporation is a business and organization lobbyist. BCD is a subsidiary of the DEF Corporation. DEF is not familiar with San Francisco politics. DEF gives BCD a check for \$3,000 and tells BCD to make political contributions to local candidates and ballot measures. BCD deposits the check from DEF into its bank account and then writes six \$500 checks to candidates for the Board of Supervisors from this account.

BCD then realizes that a local ballot measure, if adopted, will be beneficial to DEF. BCD calls DEF and DEF agrees to reimburse BCD for a \$500 contribution to the local ballot measure. BCD then writes a check to the local ballot measure's campaign committee in the amount of \$500 from its own bank account. BCD must report the six contributions to the candidates for the Board of Supervisors as well as the contribution to the local ballot measure committee because it acted as an intermediary for each of the contributions.

3. Reporting Gift Tickets.

For purposes of the Lobbyist Ordinance, gift tickets and gift admissions to political fund-raisers and events sponsored by non-profit (501(c)(3)) organizations are considered to have no value. They do not count toward the gift limit and they need not be reported as activity expenses. Nonetheless, lobbyists are required to report on Form 3, under Report of Gift Tickets and Admissions, the fact that they have given these types of tickets or admissions to City officers.

4. Reporting Payments Made or Received for or in Connection with Expert Testimony.

All lobbyists must disclose any payments made or received in connection with an expert employed or retained by the lobbyist to provide information to a City officer. (Section 2.105(d)(1)(L)).

Example:

- ◆ Partners for Fresh Air (“PFA”), a registered lobbyist, hires environmental health expert Elena Park to provide information to Supervisor Carr. Dr. Park does not qualify as a lobbyist based on her contacts with the Supervisor because she is an expert retained by PFA to provide information to Supervisor Carr. However, PFA must disclose in its quarterly activity report any payments received from its client for the purpose of retaining Dr. Park.

5. Reporting Payments Made or Received in Connection with Construction Permits.

When a person contacts a City officer for the purpose of applying for, opposing, or otherwise taking a position on a construction-related permit, or a parcel map or subdivision tract map, those contacts do not count for the purpose of determining whether the person qualifies as a lobbyist. (Section 2.105(n)(5)).

Once a person qualifies as a lobbyist, the lobbyist is required to report “payments to influence local legislative or administrative action,” including payments to influence decisions on construction-related permits, parcel maps, and subdivision tract maps. (Section 2.105(n)(5).)

6. Reporting Public Testimony and Payments Received for Public Testimony.

Reporting Public Testimony.

When a person who has not qualified as a lobbyist provides oral or written testimony that becomes part of the record of a public hearing, the testimony does not count as a contact for purposes of determining whether the person qualifies as a lobbyist.

If the person making the appearance or providing testimony has already qualified as a lobbyist, and is appearing or testifying on behalf of a client, and the lobbyist identifies the client on whose behalf the lobbyist is appearing or testifying, the lobbyist need not report the appearance or testimony as a “contact” on the lobbyist’s quarterly report.

If the person making the appearance or providing testimony has already qualified as a lobbyist, and is appearing or testifying on behalf of a client but does not identify the client, the lobbyist is required to report the appearance or testimony as a “contact.”

Reporting Payments for Public Testimony.

A person who qualifies as a contract lobbyist must report all payments received for appearing at a public meeting, or providing oral or written testimony that becomes part of the record of a public meeting. A person who qualifies as a business and organization or expenditure lobbyist must report all payments made for appearing at a public meeting, or for providing oral or written testimony that becomes part of the record of a public meeting.

IF YOU HAVE ADDITIONAL QUESTIONS . . .

If you have additional questions regarding the Lobbyist Ordinance, you may contact the Ethics Commission staff at (415) 252-3100. The Commission encourages persons to submit their questions in writing to: San Francisco Ethics Commission, 25 Van Ness Avenue, Suite #220, San Francisco, CA 94102-6027.

The Ethics Commission provides informal and formal advice regarding the Lobbyist Ordinance in response to written inquiries. If the City Attorney and District Attorney concur with the Commission's formal advice, the requester is afforded some protection: "No person who acts in good faith on an opinion issued by the commission and concurred in by the city attorney and the district attorney shall be subject to criminal or civil penalties for so acting, provided that the material facts are as stated in the opinion request." (Charter Section 3.699-12(a).)

The Ethics Commission's advice letters regarding the Lobbyist Ordinance are public documents and are available at the Commission office.

The Ethics Commission conducts quarterly workshops for new and registered lobbyists. Lobbyists are encouraged to attend workshops at least once each calendar year.