

Memorandum
City Manager's Office
City of Tempe



To: Mayor and Council
Through: Andrew Ching, City Manager
From: Elizabeth Higgins, Chief of Staff to the Mayor and Council
Date: June 6, 2016
Subject: Campaign Finance Reform Working Group - Lobbyist Registration

BACKGROUND:

On September 3, 2015, the Council gave direction to Mayor Mitchell, Vice Mayor Woods, and Councilmember Kuby to create a working group to examine campaign finance reform for City of Tempe elections. One of the working group's first recommendations was that the Council pursue an ordinance and charter amendment to lower the contribution limits for municipal elections back down to 2012 levels. The Council gave direction to go forward with the ordinance and charter amendment. The ordinance was approved by the Council in November, 2015, and the charter amendment was overwhelming passed by municipal voters on March 8, 2016.

The working group then met to discuss what other changes would meet its charge of enhancing a strong community connection between the Tempe municipal government and residents, while providing for an open and transparent system. The working group came back to the Committee of the Whole on March 29th and received permission to work on a lobbyist registration program. The goal of this program would be to provide the public with information about the identity of paid lobbyists (as well as the individuals and organizations whose interests are being served by the lobbyists), detail the funds being expended and those who are benefiting from the expenditures.

RECOMMENDATIONS:

The working group examined the two Arizona cities that already had lobbyist registration ordinances in place, the City of Phoenix and the City of Peoria. After comparing and contrasting both ordinances, the working group is proposing the following that:

- The City of Tempe create a lobbyist registration program that requires those who are compensated to lobby for a person or organization to register on an annual basis with the City Clerk's office. This ordinance would apply whether the lobbyist was lobbying the City Council, a Board or Commission, or the Hearing Officer.
- At the time of their registration, a lobbyist may file a statement declaring that they do not intend to make expenditures reportable under the ordinance. If the lobbyist does make such an expenditure, then they would have to notify the City Clerk of the expenditure within 10 days and would then be subject to expenditure reporting.
- Any expenditure to a public official over \$25 be itemized and listed separately along with amount and nature of the expenditure and the name of the public official receiving or benefitting from the expenditure.
- The definition of a "gift" not include items like: an inheritance, a plaque or similar item, expenses relating to an event to which all members of the Council or Board or Commission, and expenses to an event sponsored by a regional, statewide or national association of public officials.
- There would be certain exceptions to the lobbyist registration including a person who is not compensated for lobbying, a person who acts on their own behalf to support or oppose an official action, an expert introduced or identified by a lobbyist, or a person who contacts a public official for the purpose of obtaining information.
- No person would be able to make a gift or expenditure on behalf of a public official through another person in order to conceal the identity of the person making the gift or expenditure.
- A violation of the provision would be filed in writing with the Clerk's Office and that the first offense would be a civil offense punishable by a fine, while a second and subsequent violation within a 12 month period would be a Class 1 misdemeanor.

FOR COUNCIL DIRECTION:

The COW working group recommends that the Council forward the proposed ordinance for a lobbyist registration to the next available RCM for consideration, and direct the drafting of an accompanying forms or documentation that may be needed in order to set up a lobbyist registration program.

Councilmembers on the working group

Mayor Mark W. Mitchell
Vice Mayor Corey Woods
Councilmember Lauren Kuby

Staff members assigned to the working group

Elizabeth Higgins, Chief of Staff to the Mayor and Council
Tony Cani, Mayoral Aide
Brigitta Kuiper, City Clerk
Judi Baumann, City Attorney
Nikki Ripley, Communications and Media Relations Manager