

Exhibit A to Regulation No. 9 Hearing report:
final version of regulation as approved

**PHILADELPHIA BOARD OF ETHICS
REGULATION NO. 9, LOBBYING**

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SUBPART A. SCOPE; DEFINITIONS.

9.0 Scope. This Regulation, promulgated by the Board pursuant to its authority under Sections 4-1100 and 8-407 of the Philadelphia Home Rule Charter and Chapters 20-600 and 20-1200 of the Philadelphia Code, specifically Section 20-1210, interprets and provides implementing detail to Philadelphia's lobbying ordinance found at Code Chapter 20-1200.

9.1 Definitions. As used herein, the following words and phrases shall have the meanings indicated.

- a. Administrative action.** Any of the following:
- i. The Mayor's approval or veto of legislation;
 - ii. The nomination or appointment of an individual as a City officer or employee;
 - iii. The proposal, consideration, promulgation or rescission of an executive order;
or
 - iv. An agency's:
 1. Proposal, consideration, promulgation, review, revision, approval, disapproval, rejection, or rescission of a regulation;
 2. Development or modification of a written statement of policy;
 3. Preparation of a Request for Qualifications, Request for Proposals, or contract specifications;
 4. Solicitation, award, or administration of a contract, including for the procurement of goods or services;
 5. Solicitation, award, or administration of a grant, loan, or agreement involving the disbursement of public monies;
 6. Adjudication of claims, determination of complaints, or imposition of fines or fees; or
 7. Determination with respect to:
 - a. zoning or the use, development, or improvement of real property subject to City regulation;
 - b. the terms of the acquisition or disposition by the City of any interest in real property;
 - c. a license or permit for the use of real property of or by the City;
 - d. a franchise or concession.

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- b. Affiliated political action committee.** A political action committee established pursuant to the Pennsylvania Election Code, the Chair or Treasurer of which is a principal, an officer or an employee of a principal, a lobbyist, or an employee of a lobbyist. A political action committee is not an “affiliated political action committee” if an employee of a registrant serves as the officer of a political action committee in a clearly personal capacity and the goals and mission of the committee clearly have no relationship to the goals and mission of the registrant.
- c. Agency.** Any of the following, unless the lobbying of the entity is subject to the Pennsylvania Lobbying Law (65 P. C.S. § 13A01 *et seq.*):
- i. An office, department, board, commission, or other entity that is part of the government of the City of Philadelphia, including City Council;
 - ii. Any City-related agency, as defined at Philadelphia Code Section 17-1401(9), which includes an authority or quasi-public corporation that either: receives appropriations from the City, has entered into continuing contractual or cooperative relationships with the City, or operates under legal authority granted by City ordinance, including the Philadelphia Industrial Development Corporation, the Philadelphia Authority for Industrial Development, and the Redevelopment Authority of the City of Philadelphia;
 - iii. The School District of Philadelphia, including any board or other instrumentality thereof; or
 - iv. The Philadelphia Land Bank.
- d. Attorney.** An individual admitted to practice law by a court of record of the Commonwealth of Pennsylvania.
- e. Board.** The Board of Ethics.
- f. City elective office.** The offices of Mayor, District Attorney, City Controller, Sheriff, City Commissioner, or City Council.
- g. City officer or employee.** Any person who is elected or appointed to a position in an agency however elected or appointed, including persons serving full-time, part-time, or intermittently, and persons serving with or without compensation.
- h. Compensation.** Anything of value, including benefits, received or to be received from a principal by one acting as a lobbyist.
- i. Direct communication.** A communication by a lobbyist or principal to a City officer or employee, the purpose or foreseeable effect of which is to influence legislative or administrative action.
- j. Disciplinary Board.** The Disciplinary Board of the Supreme Court of Pennsylvania.
- k. Economic consideration.** Anything of value offered, promised, or received. The term includes compensation and reimbursement for expenses.

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- l. Electronic Signature.** The unique combination of user name, password, and PLIS registration number assigned to a lobbyist, lobbying firm or principal by the Board that shall be used by the lobbyist, lobbying firm or principal to file a registration statement, expense report, termination or amendment to such filing and that constitutes a signature under oath or affirmation by a lobbyist, lobbying firm, or principal.
- m. Gift.** Anything that is received without consideration of equal or greater value. The term shall not include a political contribution otherwise reportable as required by law or a commercially reasonable loan made in the ordinary course of business. The term shall not include hospitality, transportation or lodging.
- n. Hospitality.** Meals, beverages and recreation and entertainment, but not gifts, transportation or lodging.
- o. Immediate family member.** An individual's spouse or Life Partner, child, parent, brother, sister and like relative-in-law or comparable relation of a Life Partner.
- p. Indirect communication.** An effort to encourage others, including the general public, to take action, the purpose or foreseeable effect of which is to directly influence legislative or administrative action, such as letter-writing campaigns, mailings, telephone banks, print and electronic media advertising, billboards, publications and educational campaigns on public issues, but not including regularly published periodic newsletters primarily designed for and distributed to members of a bona fide association or charitable or fraternal nonprofit corporation.
- q. Legislation.** Bills, resolutions, amendments, and nominations pending or proposed in City Council, and any other matter that may become the subject of action by City Council.
- r. Legislative action.** An action taken by a City officer or employee involving the preparation, research, drafting, introduction, consideration, modification, amendment, approval, passage, enactment, tabling, postponement, defeat or rejection of:
 - i. Legislation;
 - ii. Legislative motions;
 - iii. A veto by the Mayor; or
 - iv. Confirmation of appointments by the Mayor or City Council, or appointment to public boards or commissions by the Mayor or City Council.

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- s. Lobbying.** An effort to influence legislative or administrative action, whether through (i) direct communication; (ii) indirect communication; or (iii) by providing any gift, hospitality, transportation or lodging to a City officer or employee for the purpose of advancing the interest of a lobbyist or principal.

It is not lobbying when a principal, or a consultant or professional (e.g., an accountant, architect, attorney, doctor, or engineer), acting as the representative or agent of a principal or client, communicates with a City agency in a matter in which the principal or client is subject to or seeking a specific City agency action in which the principal's or client's interests, rights, or privileges are at issue, provided that such communication is in an effort to address those interests, rights, or privileges and is in the normal course for such matters. This exception shall not apply to efforts to influence general policy on behalf of an interest group, nor to direct communications with City officers or employees who the principal, representative, or agent knows or should know are not those who would ordinarily make determinations in the matter at issue.

- t. Lobbying firm.** An entity that engages in lobbying for economic consideration on behalf of a principal other than the entity itself.
- u. Lobbyist.** An individual that engages in lobbying on behalf of a principal for economic consideration, including an attorney while engaged in lobbying.
- v. Office expense.** An expenditure for an office, equipment or supplies, utilized for lobbying.
- w. Person.** A business, individual, corporation, union, association, firm, partnership, committee, club or other organization or group of persons.
- x. Personnel expense.** An expenditure for salaries or other forms of compensation, benefits, vehicle allowances, bonuses and reimbursable expenses paid to lobbyists, lobbying staff, research and monitoring staff, consultants, publications and public relations staff, technical staff, or clerical and administrative support staff.
- y. PLIS.** Philadelphia Lobbying Information System.
- z. Principal.** An individual, association, corporation, partnership, business trust or other person that engages in lobbying on its own behalf or on whose behalf a lobbying firm or lobbyist engages in lobbying.
- aa. Registrant.** A registered lobbyist, registered lobbying firm or registered principal

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**SUBPART B. REGISTRATION BY PRINCIPALS, LOBBYISTS, AND
LOBBYING FIRMS**

9.2 Requirement to register.

- a. A **principal** shall register with the Board within ten days of its incurring expenses for lobbying in that quarter of a calendar year exceeding \$2,500. In calculating the amount of its lobbying expenses, a principal shall include all office and personnel expenses related to the principal's direct communications, indirect communications, and provision of gifts, transportation, hospitality, or lodging to City officers and employees.
- b. A **lobbyist** shall register with the Board within ten days of engaging in lobbying for which he or she has or will receive economic consideration of more than \$2,500 in that quarter of a calendar year. However, an individual who engages in lobbying on behalf of his or her employer shall not be required to register if he or she engaged in less than 20 hours of lobbying activity in that quarter.
- c. A **lobbying firm** shall register with the Board within ten days of engaging in lobbying for which it has or will receive economic consideration of more than \$2,500 in that quarter of a calendar year.
- d. In calculating the amount of its lobbying expenses, a principal, lobbyist, or lobbying firm shall exclude any expenses exempted pursuant to Subpart D.
- e. A principal's, lobbyist's, or lobbying firm's registration is effective only from the date of filing through December 31 of the same calendar year. A principal, lobbyist, or lobbying firm shall renew its registration in each calendar year in which it meets the requirements set forth in this Paragraph.
- f. Gifts of food, beverage, entertainment, or admission provided to a City officer or employee at a reception that the City officer or employee attends in his or her official capacity do not count towards the registration threshold unless the person who paid for the food, beverage, entertainment, or admission lobbies the City officer at the reception.

Example for 9.2: On January 10, XYZ Inc. retains Mr. A and Ms. B to directly communicate with members of City Council regarding pending legislation. On January 25, Mr. A has earned \$3,000 from XYZ for direct communications to officers and employees of City Council. Over the rest of the 1st quarter, Mr. A engages in direct communications for which he earns a further \$2,000. In the entire 1st quarter, Ms. B engaged in direct communications for which she earned \$2,000 from XYZ. XYZ Inc. has no other costs associated with lobbying in the quarter.

By February 4, XYZ must register as a principal and Mr. A must register as a lobbyist. Ms. B does not have to register as a lobbyist in the 1st quarter, nor must XYZ Inc. identify Ms. B as an affiliated lobbyist on its registration. However, in the expense report XYZ files for the 1st quarter, XYZ must include the money paid to Ms. B as part of its total lobbying expenses, as explained in Subpart C.

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9.3 Annual Registration Fee. In order to register, a principal, lobbyist, or lobbying firm shall pay a fee of \$200 plus an additional nominal processing charge. Each separate registrant shall pay the annual fee and processing charge. A registrant shall pay the annual fee even if it registered and paid the fee in a previous calendar year. The annual registration fee is non-refundable and non-transferable.

9.4 Method of registration. A principal, lobbyist, or lobbying firm shall electronically register using the Philadelphia Lobbying Information System. In order to register, the registrant shall create a PLIS account at <http://plis.cloudapp.net/>. Upon completion of the registration process, including payment of the annual registration fee, the registrant shall receive a PLIS registration number.

9.5 Information required for registration.

- a. Each registrant shall provide the following information:
 - i. name, business address, telephone number, and email address;
 - ii. the date the registrant commenced lobbying; and
 - iii. the name and the Department of State filer identification number of any affiliated political action committee, and acronym, if applicable.
- b. A principal that is an association or organization with members shall include in its registration statement the approximate number of dues-paying members of the association or organization in the most recently completed calendar year.
- c. A principal or lobbying firm shall also provide:
 - i. the nature of its business; and
 - ii. the name, business address, and PLIS registration number of each individual engaged in lobbying for economic consideration on behalf of the principal or lobbying firm that is required to register pursuant to Paragraph 9.2(b).
- d. A lobbyist shall also provide:
 - i. the name, business address, telephone number and PLIS registration number of each principal for whom the lobbyist is engaged in lobbying;
 - ii. the name and PLIS registration number of any lobbying firm with which the lobbyist has a relationship involving economic consideration;
 - iii. the name and Department of State filer identification number of any candidate political committee of which the lobbyist is the Chair or Treasurer; and
 - iv. a statement as to whether he or she is an attorney.
- e. **Amending a Registration Statement.** A principal, lobbying firm, or lobbyist shall file an amended registration statement with the Board within 14 days of a change occurring in the required information.

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9.6 Electronic signature required for registration.

- a. A principal or lobbyist that is an individual shall sign on his or her own behalf.
- b. For a principal that is not an individual or for a lobbying firm, the signer shall be an individual who has the authority to sign documents on behalf of the principal or lobbying firm.
- c. The electronic signature shall constitute consent by the principal, lobbying firm, or lobbyist to receive service of notices, mailings, or process at the address listed in the registration statement, even if the principal, lobbying firm, or lobbyist is located outside the City.

9.7 Termination of Registration. A principal, lobbying firm, or lobbyist may terminate its registration by filing a notice of termination with the Board. Within 30 days of receiving the notice, the Board shall send a letter confirming the termination. Notwithstanding a termination of registration, a principal, lobbying firm, or lobbyist must comply with the reporting requirements of this Subpart for any quarter in which it engaged in reportable lobbying.

SUBPART C. REQUIREMENT TO FILE QUARTERLY EXPENSE REPORTS

9.8 Filing Deadlines.

| Quarter | Covers the period | Expense Report due on or before |
|---------|-------------------------------|---------------------------------|
| 1 | January 1 through March 31 | April 30 |
| 2 | April 1 through June 30 | July 30 |
| 3 | July 1 through September 30 | October 30 |
| 4 | October 1 through December 31 | January 30 |

If the filing deadline falls on a weekend or holiday, or on a day that the Board's office is closed or closes early, the deadline for the filing is the following City business day.

9.9 Principal expense report. A registered principal shall electronically file an expense report with the Board for each quarter in a calendar year, beginning with the quarter in which it registers. If a registered principal's lobbying expenses are \$2,500 or less in a given quarter, the principal may, in lieu of a report, file a statement so stating. In calculating the amount of its lobbying expenses, a principal shall exclude any expenses exempted pursuant to Subpart D.

9.10 Lobbying firm or lobbyist expense report. A lobbying firm, or a lobbyist who is not associated with a lobbying firm, shall electronically file an expense report with the Board if, in a given quarter, a represented principal failed to disclose the lobbying firm's or lobbyist's activity in a required expense report.

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9.11 A lobbying firm or lobbyist expense report shall be filed on or before 30 days after the date the principal's report was or would have been due. The filing of an expense report by a lobbyist or lobbying firm does not relieve a principal of any reporting requirements.

9.12 Method of filing an expense report. Principals, lobbying firms, and lobbyists shall electronically file required expense reports by using the Philadelphia Lobbying Information System. In order to file an expense report, a principal, lobbying firm, or lobbyist must first register, as provided in Subpart B.

9.13 Content of an expense report. An expense report filed pursuant to this Subpart shall contain the following information:

- a. The name and PLIS registration number of each lobbyist that received economic consideration of more than \$2,500 in a quarter of that year on behalf of the principal.
- b. **Direct communications.** Total expenses during the quarter for direct communications, including those for related personnel expenses and office expenses, and a description of each specific administrative action or legislative action (including bill number, if any) that was the subject of such communications, including:
 - i. the subject matter of the communication. If not available in the PLIS drop down menu, the filer shall describe the subject matter in the space provided;
 - ii. the position taken, such as supported, opposed, proposed, or amended; and
 - iii. the name or names of any City officer or employee to whom communications were directed and his or her department or agency. If a communication was directed to a City officer or employee and that officer's or employee's staff were present, the report need not list the staff members in attendance. If a direct communication occurs with multiple individuals who are staff of a City officer or employee, it is sufficient to report that the direct communication was with "staff of (name of officer or employee)."
- c. **Indirect communications.** Total expenses during the quarter for indirect communications, including those for related personnel expenses and office expenses, and a description of each specific administrative action or legislative action (including bill number, if any) that was the subject of such communications, including:
 - i. the subject matter of the communication. If not available in the PLIS drop down menu, the filer shall describe the subject matter in the space provided;
 - ii. the position taken, such as supported, opposed, proposed, or amended;

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- iii. a description of the persons or groups to whom the indirect communication was directed; and
 - iv. the method used for the indirect communication, such as a letter, billboard, or telephone bank.
- d. **Gifts, hospitality, transportation, or lodging**, as follows:
- i. The filer shall disclose the total amount of expenses for gifts, hospitality, transportation, or lodging provided to City officers or employees or their immediate family members during the quarter.
 - ii. In the case of gifts, hospitality, transportation, or lodging of \$25 or more in the aggregate provided to a City officer or employee, or the immediate family member of a City officer or employee, during the quarter, the filer shall also disclose:
 - 1. the name of the recipient and, if a City officer or employee, his or her position, job title, and agency;
 - 2. a description of what was provided, including its value;
 - 3. the date and location each gift, hospitality, transportation, or lodging was provided; and
 - 4. the name and address of the source of each gift, payment, or reimbursement.
- Example for 9.13(d):** XYZ Inc. files an expense report for the 1st quarter. During the quarter, XYZ gave City Officer A and Employee B each a \$20 Phillies ticket. XYZ also paid for a \$50 lunch for City Officer C.

In its 1st quarter expense report, XYZ must disclose a total of \$90 in expenses in the section for gifts, hospitality, transportation, and lodging. XYZ must also disclose the details of the payment for Officer C's lunch, as set forth in Paragraph 9.13(d)(ii). Because each of the Phillies tickets was worth less than \$25, XYZ does not need to provide the information required by 9.13(d)(ii) for those transactions.
- e. The name, permanent business address and telephone number of any person that contributed more than 10% of the total resources received by the principal during the quarter, including any and all contributions, dues, or grants.
 - f. Any other lobbying costs.
 - g. A statement affirming that, to the best of the filer's knowledge, the filer is in compliance with Paragraph 9.22 regarding conflicts of interest.
 - h. The electronic signature of the individual filing the report and of each lobbyist named in the expense report. A lobbyist may include with his or her electronic signature a description of the limits of his or her knowledge concerning the contents of an expense report.

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9.14 In reporting **gifts, hospitality, transportation, or lodging** as required by Paragraph 9.13(d):

- a. The reportable value of gifts, transportation, lodging or hospitality is their fair market value.
- b. If a City officer or employee has repaid, in whole or in part, any costs for gifts, hospitality, transportation or lodging provided to him or her or his or her immediate family member, the report shall disclose both the initial expenditure for the gift and the repayment by the officer or employee.
- c. The reportable value of a ticket to an event is the ticket price a member of the general public would pay.
- d. A filer need not report gifts of food, beverage, entertainment, or admission provided to a City officer or employee at a reception attended by the City officer or employee in his or her official capacity, unless the filer lobbies the officer or employee at the reception.

9.15 Written notice to a recipient of gifts, hospitality, transportation or lodging.
At least seven days prior to filing an expense report with the Board, a registrant shall provide written notice to each City officer or employee who will be listed in the expense report as a recipient of gifts, hospitality, transportation or lodging. The written notice shall include the following information:

- a. The value and a description of each gift, or payment for hospitality, transportation, or lodging;
- b. The date and location of receipt;
- c. The name and address of the source of the gift; and
- d. The total amount of the gifts and payments for hospitality, transportation, or lodging given during the expense reporting period and the cumulative amount given from January 1 through the end of the applicable reporting period.

9.16 In reporting the expenses described in this Subpart, a registrant may use any reasonable method of estimation and allocation, including for allocation of expenses between direct and indirect communication costs. The registrant shall maintain a detailed written description of the method of estimation and allocation used and shall make such written description available to the Board upon request.

9.17 A registered principal that attempts, or that retains a lobbying firm or lobbyist to attempt, to influence an agency's preparing, bidding, entering into or approving a contract shall include the related expenses in an expense report filed under Subpart C.

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9.18 Amending an Expense Report. A principal, lobbying firm, or lobbyist shall file an amended expense report with the Board within 15 days of the principal, lobbying firm, or lobbyist determining that information was omitted from an expense report or that information reported in an expense report is incorrect.

SUBPART D. EXEMPTIONS FROM REGISTRATION AND REPORTING

9.19 The following persons and activities are exempt from registration and reporting:

- a. An individual who limits lobbying to preparing testimony and testifying or commenting before City Council or a committee of City Council.
- b. An individual who is an employee of an entity engaged in the business of publishing or broadcasting while engaged in the gathering and dissemination of news and comment on the news to the general public in the ordinary course of business.
- c. An individual who does not receive economic consideration for lobbying.
- d. A government officer or employee acting in his or her official capacity.
- e. An individual representing a bona fide church or bona fide religious body of which the individual is a member where the lobbying is solely for the purpose of protecting the constitutional right to the free exercise of religion.
- f. An individual who is not a registered lobbyist and who serves on an advisory board, working group or task force at the request of an agency.
- g. Participating as a party or as an attorney or representative of a party in a case or controversy, or in any administrative adjudication, in which the principal or client is subject to or seeking a specific agency action in which the principal's or client's interests, rights, or privileges are at issue, provided that such communication is in an effort to address those interests, rights, or privileges and is in the normal course for such matters. However, this exemption shall not apply to efforts to influence general policy on behalf of an interest group, nor to direct communications with City officers or employees who the principal, representative, or agent knows or should know are not those who would ordinarily make determinations in the matter at issue.
- h. Expenditures and other transactions subject to reporting under Article XVI of the Pennsylvania Election Code.
- i. Activities and efforts directly related to responding to publicly advertised invitations to bid and requests for proposals.

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- j. Communication with a City officer or employee on a routine, ministerial matter, such as:
- i. Scheduling a meeting;
 - ii. Requesting information about the status of an administrative matter;
 - iii. Requesting forms or procedures;
 - iv. Requesting information on requirements for compliance with existing laws or regulations;
 - v. Participating in an inspection required by law;
 - vi. Responding to an audit conducted pursuant to law;
 - vii. Performing services pursuant to an existing contract, but not communications concerning extensions of an existing contract;
 - viii. Inquiring about the delivery of services or materials pursuant to an existing contract;
 - ix. Filing a complaint with an agency to seek enforcement of existing laws or regulations;
 - x. Filing a response to a complaint or other enforcement action commenced by an agency; or
 - xi. Applying for means-tested City services or benefits for that individual as an agent or representative of a specific individual for whom the services or benefits are sought.

Example for 9.19(a): In the 1st quarter, XYZ incurs expenses of \$2,000 for testimony its CEO presents at a City Council hearing. XYZ incurs a further \$3,500 in expenses for billboards urging citizens to contact Council members about the subject of the hearing. XYZ does not incur any other expenses for lobbying activity during the 1st quarter.

XYZ must register and file an expense report for the 1st quarter. However, in that expense report, XYZ only needs to disclose the \$3,500 it spent on indirect communications. As provided by Paragraph 9.19(a), the \$2,000 in expenses it incurred as a result of its CEO's testimony is exempt from registration and reporting.

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SUBPART E. OTHER REQUIREMENTS AND RESTRICTIONS

9.20 Identification of Person Who Financed an Indirect Communication.

Any indirect communication, such as a mailing, telephone bank, print or electronic media advertisement, billboard, publication or education campaign, shall clearly and conspicuously state the name of the person who paid for the communication. This disclosure shall not be required for bumper stickers, pins, buttons, pens and similar small items upon which the statement cannot be conveniently printed. For small digital advertisements, this requirement shall be satisfied if the proper disclosure appears on the page a user arrives at by clicking the advertisement.

9.21 Records retention.

- a. A registrant shall maintain for four years, in written or electronic form, records of its Philadelphia lobbying activity in sufficient detail to enable the registrant to fully comply with the requirements set forth in this Regulation. Such records shall be made available for inspection within ten business days upon request by the Board.
- b. If an original source document is not available to support a reportable expenditure, the registrant shall upon payment of the expense promptly prepare a written voucher, journal entry or other written or electronic form of record to document the expenditure. The record must include a notation of the reason an original source document was not available.
- c. A registrant may keep records of all lobbying activity separate from records of the registrant's non-lobbying activity. Upon receipt of a request from the Board to examine lobbying records, a registrant may redact any records that do not pertain to Philadelphia lobbying activity.

9.22 Conflicts of Interest.

- a. A lobbyist shall not lobby on behalf of a principal on any subject matter in which the principal's interests are directly adverse to the lobbyist's interests or to the interests of another principal the lobbyist represented at anytime during the current four-year session of Council, unless:
 - i. The lobbyist reasonably believes that he or she will be able to provide competent and diligent representation to each affected principal;
 - ii. The lobbyist provides written notice to each affected principal upon becoming aware of the conflict; and
 - iii. Each affected principal provides written informed consent waiving the conflict of interest.
- b. If a lobbyist is unable to comply with Paragraph 9.22(a), he or she shall promptly withdraw from one or more representations to the extent necessary to come into compliance with Paragraph 9.22(a).

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- c. If a lobbyist is not in compliance with Paragraph 9.22(a), neither the lobbyist's employer, partner, nor any other person associated with the lobbyist shall lobby on behalf of the affected principals.

9.23 Contingent Compensation.

- a. A person may not compensate or incur an obligation to compensate a person to engage in lobbying for compensation contingent in whole or in part upon the occurrence, nonoccurrence or amendment of any administrative or legislative action.
- b. A person may not engage in or agree to engage in lobbying for compensation contingent in whole or in part upon the occurrence, nonoccurrence or amendment of any administrative or legislative action.
- c. An individual who is paid on a contingent or commission basis for the sale of goods or services may contact a City officer or employee regarding the purchase by the City or an agency of such goods or services, provided that such individual is contacting only those City officers or employees who have responsibility for making purchasing decisions regarding such goods or services in the normal course.

9.24 Prohibited Activities. A lobbyist, lobbying firm, or principal shall not:

- a. serve as the Chair or Treasurer of a candidate's political committee if the candidate is seeking City elective office;
- b. charge a fee or receive economic consideration based on a contract, either written or oral, that any part of the fee or economic consideration will be converted into a contribution to a candidate for public office or a political committee;
- c. for the purpose of influencing legislative action or administrative action, transmit, utter or publish to a City officer or employee a communication, knowing that the communication or a signature on the communication is false, forged, counterfeit or fictitious;
- d. make a material misstatement or omission on a registration statement or expense report filed with the Board. However, if a filer learns that an already-filed registration statement or expense report included a material misstatement or omission and, within 15 days of learning the same, files an amended, corrected registration statement or expense report, that filer shall not be in violation of the City's Lobbying Law, except where the filer learned of the material misstatement or omission from the Board;
- e. instigate the introduction of legislation for the purpose of obtaining employment to lobby in opposition to that legislation;
- f. knowingly counsel a person to violate City, State, or Federal law;
- g. attempt to influence a City officer or employee on legislative or administrative action by making or facilitating the making of a loan to the City officer or employee;

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- h. while engaging in lobbying on behalf of the principal, refuse to disclose to a City officer or employee, upon request, the identity of the principal;
- i. attempt to influence a City officer or employee on legislative or administrative action by the promise of financial support or the financing of opposition to the candidacy of the City officer or employee at a future election; or
- j. engage in conduct that brings the practice of lobbying or the legislative or executive branches of City government into disrepute.

9.25 If the Board receives a complaint regarding a violation of this Subpart involving a lobbyist or principal who is an attorney at law, the Board shall refer the complaint to the Disciplinary Board.

SUBPART F. PENALTIES

9.26 The failure to register or amend a registration, or file or amend an expense report as required by this Regulation is subject to a civil penalty not exceeding \$250 for each late day, provided that the total fines that may be imposed for failure to file a particular registration or report shall not exceed \$2,000.

9.27 All other violations of the lobbying law are subject to a civil monetary penalty of \$1,000 per violation that shall be increased or decreased as follows:

- a. Mitigating factors. The civil monetary penalty of \$1,000 shall be reduced by \$500 if one of the following mitigating factors is present and shall be reduced by \$750 if more than one of the following mitigating factors are present:
 - i. Good faith effort to comply. The violator is found to have made a good faith effort to comply with the law.
 - ii. Prompt corrective action. The violator is found to have taken prompt corrective action where corrective action was possible to remedy the violation.
 - iii. Prompt self-reporting. The violator is found to have reported promptly the violation to the Board of Ethics.
- b. Aggravating factors. The civil monetary penalty of \$1,000 shall be increased by \$1,000 for each of the following aggravating factors that is present, provided that the total civil monetary penalty that may be imposed for one violation shall not exceed \$2,000:
 - i. Intent. The violator is found to have acted knowingly. An act is done knowingly if done voluntarily and intentionally and not because of mistake or accident or other innocent reason.
 - ii. Repeat violation. The violator previously has been found by the Board of Ethics in an administrative adjudication or by a court of competent jurisdiction to have violated the same provision.
 - iii. Obstruction of investigation. The violator is found to have obstructed the investigation of the Board of Ethics into the same violation.

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**Exhibit A to Regulation No. 9 Hearing report:
final version of regulation as approved**

9.28 The Board shall notify the Disciplinary Board if it imposes a penalty on any lobbyist or principal who is an attorney at law.

9.29 In addition to any penalties imposed pursuant to this Subpart, the Board may prohibit a person from lobbying for economic consideration for up to five years for intentional violations of the City's Lobbying Law. The Board shall not impose the prohibition under this Paragraph unless the person has been afforded the opportunity for a hearing.

Approved for public comment by Board: May 11, 2011
Public hearing held: June 15, 2011
Adopted by Board with modifications: September 21, 2011
Effective: November 21, 2011

Proposed amendments approved for public comment by Board: October 19, 2016
Public hearing held: November 16, 2016
Adopted by Board with modifications: December 22, 2016
Effective:

893611

DEPARTMENT OF RECORDS
2016 DEC 23 PM 12:14