MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Sachi A. Hamai, Executive Officer-
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

At its meeting held September 25, 2007, the Board took the following action:

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William T Fujioka, Chief Executive Officer, presented the attached report to the Board regarding the Lobbyist Ordinance amendment, and presented recommendations that would result in more stringent enforcement of the County's Lobbyist Ordinance.

Arnold Sachs and Dr. Genevieve Clavreul addressed the Board.

After discussion, on motion of Supervisor Yaroslavsky, seconded by Supervisor Burke, unanimously carried, County Counsel was instructed to draft an ordinance in accordance with the Chief Executive Officer's recommendations in the attached report.

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Attachment

Copies distributed:
Each Supervisor
Chief Executive Officer
County Counsel

County of Los Angeles
CHIEF EXECUTIVE OFFICE
713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
http://ceo.lacounty.gov

WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

September 14, 2007

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

LOBBYIST ORDINANCE AMENDMENT (ITEM NO. 54, AGENDA OF SEPTEMBER 18, 2007)

On July 24, 2007, your Board, on motion of Supervisor Molina, instructed this Office, the Executive Office of the Board of Supervisors and County Counsel, to develop recommendations that will result in more stringent enforcement of the County's Lobbyist Ordinance (Ordinance). Those recommendations were submitted to your Board on August 16, 2007.

On August 21, 2007, in response to our report, your Board instructed this Office to: 1) review the current lobbyist registration fees, including fees charged to registered lobbyists, lobbyists firms, and lobbyist employers, to determine whether they are set at an appropriate level; and 2) draft an amendment to the existing Ordinance that would result in a progressive late filing fee procedure. Your Board instructed this Office and the aforementioned departments to report back with recommendations for your consideration.

The recommendations to amend the Ordinance have been expanded to include a recommendation to strengthen progressive late filing fees by increasing the amount the County may impose against lobbyists, lobbyist firms, and lobbyist employers who fail to file in a timely manner.

In addition, we are recommending to amend the Ordinance to increase current lobbyist registration fees to amounts consistent with those utilized by the City of Los Angeles. We have reviewed lobbyist registration fees imposed in similar jurisdictions to ensure any recommended fee increases were consistent and reasonable within the accepted standards of the industry. In conducting the analysis, we determined that the County's current registration fee schedule was outdated and increases were necessary to

recover costs incurred in administering the Ordinance. The proposed increase would make our fees consistent with other local public agencies and would be limited to cost recovery only.

Based upon consultation with the Executive Office of the Board of Supervisors and County Counsel, we recommend that your Board amend the Ordinance to:

- *Increase the maximum civil liability from $2,000 to $5,000 per violation that may be recovered in a civil action brought by the County against any person or entity who has failed to comply with requirements of the Ordinance, consistent with a similar provision of the California Political Reform Act;*

- *Establish an administrative fine procedure in which the Executive Office of the Board of Supervisors may, at their discretion, impose an Administrative Fine of up to $5,000 per violation for any person who violates any provision of the Ordinance and a Non-Compliance Fee of up to $5,000 per violation for any person who fails to come into compliance with any provision of the Ordinance;*

- *Establish procedures in which lobbyists, lobbyist firms, and lobbyist employers may be suspended and prohibited from engaging in lobbying activities for repeated violations of any provision of the Ordinance;*

- *Increase the additional fee imposed for late filing from a maximum of $250 to $25 per day for the first ten days a report is filed late, $50 per day for the second ten days; and $75 per day for the third 10 days and until the date that the filer comes into compliance with the provisions of the Ordinance or the date that any other penalties are imposed by your Board or the Executive Officer of the Board of Supervisors as provided for in the Ordinance, whichever comes first, if the filing is not made within 20 days after the due date;*

- *Establish an Annual Registration Fee of $450 per individual lobbyist and $75 for each lobbyist employer and eliminate the One-Time Registration Fee of $35 per lobbyist firm, $35 per lobbyist employer, and $35 per individual lobbyist. In addition, we also recommend eliminating the $15 fee for Quarterly Reporting and the $15 Amendment Fee.*

- *Adopt a "good cause" provision within the Ordinance to allow for the waiving of late filing fees similar to the procedures employed by the Secretary of State's Office; and*

- *Incorporate other minor, housekeeping revisions to the Ordinance to make it more consistent with State statutes and regulations.*

The proposed change in the current procedure to register as lobbyists, lobbyist firms, and lobbyist employers on an annual basis will require the Executive Office of the Board of Supervisors to make modifications to their Information Technology system currently utilized to track and manage the registration fee component of the Ordinance. Lead time is also necessary to ensure that all entities currently registered under the Ordinance are notified of the changes. This process is expected to require approximately six months to complete. As such, we recommend that the new lobbyist registration fees become effective on July 1, 2008. Please note that the other recommended amendments, including the progressive late filing fee, will become effective within 30 days of approval by your Board.

The proposed amendments to the Ordinance incorporating the above recommendations, including the progressive late filing fee procedures and the increased lobbyist registration fees, will be prepared by County Counsel. As a public hearing is required before the County may approve an increase in existing fees, after the necessary notice and publication requirements have been fulfilled, the proposed Ordinance amendments will be placed on the next available public hearing agenda for introduction, which we anticipate will be October 23, 2007. We will work with your Board offices to follow-up with any questions you may have regarding the recommendations.

Finally, as a result of the recommendations to amend the Ordinance, we anticipate the need to expend additional resources, offset by the fee increases, to provide training for departments, as well as resources for the Executive Office of the Board of Supervisors to monitor compliance with the Ordinance.

Should you have any questions regarding this memorandum, your staff may contact Vincent Amerson at (213) 974-1168 or vamerson@ceo.lacounty.gov.

WTF:LN:MKZ
MLM:VLA:

c: All Department Heads