

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

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**SUBPART A. SCOPE; DEFINITIONS; GENERAL.**

**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 §20-1210, interprets and provides implementing detail to Philadelphia’s lobbying ordinance found at Code Chapter 20-1200. The examples provided in this Regulation are for illustration and are not intended to be exhaustive. In order to provide a single document for the convenience of users, this Regulation restates all provisions of Chapter 20-1200 that concern application of Chapter 20-1200 to lobbyists, lobbying firms and principals.

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

**(A) Chapter 20-1200.** Chapter 20-1200, Lobbying, of the Philadelphia Code.

**(B) Administrative action.** Any of the following:

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

**(C) Affiliated political action committee.**

- (1) A "political action committee" as defined in section 1621(l) of the Pennsylvania Election Code, which has an officer who:

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(a) Must be included in a registration statement under section 1624(b)(2) and (3) of the Pennsylvania Election Code; and

(b) Is a principal, an officer or an employee of a principal, a lobbyist, or an employee of a lobbyist.

(2) 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 clearly a personal capacity, and the goals and mission of that political action committee clearly have no relationship to the goals and mission of the registrant.

**(D) Agency.** Any of the following, unless the lobbying of the entity is subject to 65 P. C.S. § 13A01 *et seq.*:

(1) Any office, department, board, commission, or other entity that is part of the government of the City of Philadelphia, including City Council.

(2) The Philadelphia Industrial Development Corporation, the Philadelphia Authority for Industrial Development, the Redevelopment Authority of the City of Philadelphia, and any other entity that meets the definition of “City-related agency” under Section 17-1401(9) of The Philadelphia Code.

(3) The School District of Philadelphia, including any board or other instrumentality thereof.

**(E) Attorney at law.** An individual admitted to practice law by a court of record of this Commonwealth.

**(F) Board.** The Board of Ethics.

**(G) Budget process.** The consideration and passage of the annual operating budget and the capital budget and capital program, and any amendments thereto.

**(H) City.** City of Philadelphia.

**(I) City Code.** The Philadelphia Code.

**(J) City official or employee.** Any person who is elected or appointed to a position in any branch of the government of the City of Philadelphia, including, but not limited to, members of agencies, authorities, boards and commissions, however elected or appointed, persons serving full-time or intermittently, and persons serving with or without compensation.

**(K) Compensation.** Anything of value, including benefits, received or to be received from a principal by one acting as a lobbyist.

**(L) Direct communication.** An effort, whether written, oral or by any other medium, made by a lobbyist or principal, directed to a City official or employee, the purpose or foreseeable effect of which is to influence legislative action or administrative action. The term includes personnel expenses and office expenses.

**(M) Disciplinary Board.** The Disciplinary Board of the Supreme Court of Pennsylvania.

**(N) Economic consideration.** Anything of value offered or received. The term includes compensation and reimbursement for expenses.

**(O) Electronic Signature.** The unique combination of user name, password, and PLIS registration number assigned to a lobbyist, lobbying firm or principal by the Board which shall be used by the lobbyist, lobbying firm or principal to file a registration statement, expense report, termination or amendment to such filing and which constitutes a signature under oath or affirmation by a lobbyist, lobbying firm, or principal as required by Chapter 20-1200.

**(P) Enrollment.** The process by which a lobbyist, lobbying firm, or principal receives the user name, password and PLIS registration number that are required to access the mandatory Philadelphia lobbying electronic filing system.

**(Q) Filed.** For the purposes of imposition of the penalties in Chapter 20-1200:

(1) A lobbyist registration statement is filed when the Board has received all of the following:

- (a) The electronic registration statement;
- (b) The required electronic signature or signatures;
- (c) All information required to be included in the lobbyist registration statement by this Regulation;
- (d) A photograph of the lobbyist; and
- (e) The annual registration fee required pursuant to this Regulation.

(2) A principal or lobbying firm registration statement is filed when the Board has received all of the following:

- (a) The electronic registration statement;
- (b) The required electronic signature or signatures;

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- (c) All information required to be included in the registration statement by this Regulation; and
  - (d) The annual registration fee required pursuant to this Regulation.
- (3) An expense report is filed when the Board has received all of the following:
- (a) The electronic registration statement;
  - (b) The required electronic signature or signatures; and
  - (c) All information required to be included in the expense report by this Regulation.
- (4) An amendment to a registration statement or expense report is filed when the Board has received the electronic amendment containing required electronic signature or signatures.
- (5) A notice of termination is filed when the Board has received the electronic notice of termination containing required electronic signature or signatures.

**(R) 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.

**(S) Hospitality.** Meals, beverages and recreation and entertainment, but not gifts, transportation or lodging.

**(T) Immediate family.** An individual's spouse, child, parent, brother, sister and like relative-in-law.

**(U) Indirect communication.** An effort, whether written, oral or by any other medium, to encourage others, including the general public, to take action, the purpose or foreseeable effect of which is to directly influence legislative action or administrative action, including, but not limited to, 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.

**(V) Legislation.** Bills, resolutions, amendments, and nominations pending or proposed in Council, and any other matter that may become the subject of action by Council.

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**(W) Legislative action.** An action taken by a City official or employee involving the preparation, research, drafting, introduction, consideration, modification, amendment, approval, passage, enactment, tabling, postponement, defeat or rejection of:

- (1) Legislation;
- (2) Legislative motions;
- (3) A veto by the Mayor; or
- (4) Confirmation of appointments by the Mayor or Council, or appointments to public boards or commissions by the Mayor or Council.

**(X) Lobbying.** An effort to influence legislative action or administrative action including:

- (1) Direct or indirect communication;
- (2) Incurring office expenses; and
- (3) Providing any gift, hospitality, transportation or lodging to a City official or employee for the purpose of advancing the interest of the lobbyist or principal.

For purposes of this Regulation and Chapter 20-1200, 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 officials 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.

**Example 1:** A City taxpayer receives a notice from the Department of Revenue that the taxpayer is in arrears on his net profits tax and imposing a substantial penalty and interest. The taxpayer's accountant contacts the contact person listed on the notice, meets with that person, and provides documentation of the taxpayer's position. Must the taxpayer register as a principal, the accountant register as a lobbyist, and the taxpayer file an expense report for the quarter?

Result: The facts presented in this example do not constitute lobbying under the definition of "lobbying" in Paragraph 9.1(X). The accountant does not have to register as a lobbyist, and the taxpayer does not have to register as a principal or file an expense report.

**Example 2:** Same factual situation as above, except that, in addition to working with the assigned contact person in the Revenue Department, the accountant prepares a letter arguing that the Department should change its policy. On the taxpayer's behalf, the accountant meets with the Revenue Commissioner, the Managing Director, and takes to lunch the Councilperson for the taxpayer's district and two at-large Councilpersons, provides all these officials with the letter, and bills the taxpayer for his time and expenses, for a total of \$5000.

Result: This is clearly lobbying under the second sentence of Paragraph 9.1(X). The taxpayer must register as a principal, the accountant as a lobbyist, and the taxpayer must file an expense report for the quarter. (NOTE: Under both of these examples, whether registration and reporting is required also depends on whether the taxpayer or the accountant, or both, are exempt under any of the provisions of Paragraph 9.24, especially the thresholds in Paragraphs 9.24(D), (E), and (F)).

**Example 3:** An accountant representing a seller in a real estate transaction contacts the City Revenue Department to discuss a realty transfer tax issue on the transaction which is not addressed by the City's regulations and is otherwise unclear. Not satisfied with the result, the accountant contacts a tax attorney in the Law Department. The seller's accountant and the Law Department attorney discuss the transaction and arrive at a mutually agreeable approach to the realty transfer tax issue for that transaction.

Result: The facts presented in this example do not constitute lobbying under the definition of "lobbying" in Paragraph 9.1(X). The accountant does not have to register as a lobbyist, and the client does not have to register as a principal or file an expense report, because the issue concerns specific City action involving the individual client's interests.

**Example 4:** An attorney is contacted by a client to process an application with the Department of Licenses and Inspections (L&I) for a building permit for the construction of a new food market. Subsequent to the submission, the zoning examiner reviews the application and L&I issues a denial of the permit. The attorney, on behalf of his client, applies to the Zoning Board of Adjustment for a variance. The examiner contends that the food market requires more off-street parking than that which is provided on the plan. The attorney disagrees with this reading of the Code and discusses the matter with the zoning examiner in order to determine the basis of the L & I ruling. The attorney also contacts the staff of the City Planning Commission and the applicable Deputy L&I Commissioner to gather information, as preparation for the variance hearing.

Result: The facts presented in this example do not constitute lobbying under the definition of "lobbying" in Paragraph 9.1(X). The attorney does not have to register as a lobbyist, and the client does not have to register as a principal or file an expense report, because the issue concerns specific City action involving the individual

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client's interests, and the attorney is preparing for a hearing. However, if the attorney were to contact the L & I Commissioner or the Chair of the Planning Commission in an attempt to influence L & I to reverse its denial of the building permit, such contacts would be outside the normal course of business, and would constitute lobbying.

**Example 5:** An engineer has been engaged by a college to represent its interests in the development of a proposed academic building. In order to proceed with the development, City Council ordinances will need to be obtained to: (i) relocate the underground Water Department right-of-way to another part of the college's property; and (ii) permit certain sidewalk encroachments. The college's engineer contacts and meets with the relevant officials of the Water Department, the Streets Department and the City Planning Commission and the applicable District Councilperson to facilitate the introduction and passage of the required ordinances.

**Result:** The facts presented in this example do not constitute lobbying under the definition of "lobbying" in Paragraph 9.1(X). The required ordinances do not concern or affect general policy issues. Rather, the required ordinances are "special ordinances" under Section 21-501 of the Philadelphia Code, wherein the property owner identifies itself, pays a fee to the City and otherwise participates in public meeting(s) and hearing(s) on the proposed ordinances. Additionally, the special ordinances concern only private rights appurtenant to a particular piece of real estate. The engineer does not have to register as a lobbyist, and the client does not have to register as a principal or file an expense report. However, if the engineer or the client were to contact other Councilmembers or the Mayor in an attempt to influence the passage or approval of the subject ordinance, that would constitute lobbying.

**(Y) Lobbying firm.** An entity that engages in lobbying for economic consideration on behalf of a principal other than the entity itself.

**(Z) Lobbyist.** Any individual, association, corporation, partnership, business trust or other entity that engages in lobbying on behalf of a principal for economic consideration, including an attorney at law while engaged in lobbying, provided, however, that attorneys engaged in lobbying are subject to the requirements and restrictions of Chapter 20-1200 only to the extent permissible under the Pennsylvania Rules of Professional Conduct.

**(AA) Oath or Affirmation.** The electronic signature of an individual who is required to sign a registration statement, a quarterly expense report, a notice of termination, or an amendment to any such filing shall constitute an oath or affirmation which is a statement of the correctness of the contents of the registration statement, quarterly expense report, notice of termination, or amendment to any such filing. A false statement in a registration statement, a quarterly expense report, a notice of termination, or an amendment to any such filing shall be subject to the penalties provided in City Code §20-1207 and in 18 Pa.C.S. §4904.



**(BB) Office expense.** An expenditure for an office, equipment or supplies, utilized for lobbying.

**(CC) Person.** A business, individual, corporation, union, association, firm, partnership, committee, club or other organization or group of persons.

**(DD) 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, clerical and administrative support staff and includes individuals who engage in lobbying but are exempt from reporting under §20-1204 of the Philadelphia Code relating to exemption from registration and reporting. For an individual for whom lobbying is incidental to regular employment, the term means a good faith prorated estimate based on the value of the time devoted to lobbying.

**(EE) PLIS** – Philadelphia Lobbying Information System.

**(FF) Principal.** An individual, association, corporation, partnership, business trust or other entity:

- (1) On whose behalf a lobbying firm or lobbyist engages in lobbying; or
- (2) That engages in lobbying on the principal's own behalf.

**(GG) Registrant.** A registered lobbyist, registered lobbying firm or registered principal.

**(HH) Regulation.** Any rule or regulation promulgated under the procedure set forth in Section 8-406 or Section 8-407 of the Philadelphia Home Rule Charter, and any formal or informal opinion issued by the City Solicitor.

**(II) Reporting period, quarterly reporting period, or expense reporting period.** Any of the following quarterly periods:

- (1) First Quarter - January 1 through March 31.
- (2) Second Quarter - April 1 through June 30.
- (3) Third Quarter - July 1 through September 30.
- (4) Fourth Quarter - October 1 through December 31.

**9.2 Filing Deadlines.**

(A) When the deadline for a filing with the Board, pursuant to Chapter 20-1200, 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 will be extended to the following City business day.

(B) An expense report shall be filed no later than 30 days after the end of the Quarter as follows:

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

**SUBPART B. REGISTRATION; ANNUAL FEE**

**9.3 General Rule.** Unless exempt from registration and reporting under City Code §20-1204 and Subpart D of this Regulation, a lobbyist, lobbying firm or principal shall register with the Board in the electronic format mandated by the Board within ten days of engaging in lobbying.

**Example:** On January 10, 2012, Vice President Jones of Business Firm X meets with the local District Councilman concerning a pending bill in Council. Jones spends a total of 5 hours of his time preparing for and participating in this meeting, and the Firm’s only expense is Jones’ time, which, for the 5 hours, is valued at less than \$1000. On February 15, 2012, Business Firm X contracts with the lobbying firm of Y to do all lobbying for the firm for the year beginning on that date. Under the contract, Lobbying Firm Y will bill Business Firm X on a monthly basis. On March 5, 2012, Lobbying Firm Y begins contacting City Councilmembers on behalf of Business Firm X. On April 6, 2012, Lobbying Firm Y bills Business Firm X \$3000 for lobbying in March. Who must register and when?

Result: The thresholds for registration are stated in Paragraph 9.24 and Code Section 20-1204. Under these thresholds, an employee who engages in lobbying for his employer of less than 20 hours is exempt from registering as a lobbyist, so Vice President Jones’ 5 hours of lobbying on January 10 does not require him to register. Nor must Firm X register as a principal based on Jones’ work, since the expense does not exceed the threshold of \$2500. Since Lobbying Firm Y did \$3000 worth of lobbying, the dollar threshold is passed and Business Firm X must register as a principal and Lobbying Firm Y must register as a lobbying firm. But these registrations need not occur until ten days after the thresholds are exceeded, or by April 16.

#### **9.4. Registration Period.**

(A) On or after January 1, 2012, the registration period shall be for the period of time that begins on January 1 and ends on December 31 of each calendar year.

(B) Unless terminated, a registration statement is effective from the date of filing through December 31 of that calendar year.

#### **9.5 Annual Registration Fee.**

(A) Each principal, lobbying firm or lobbyist required to register under Chapter 20-1200 shall pay an annual registration fee of \$100 to the Board, made payable to the “City of Philadelphia.”.

(B) A separate annual registration fee shall be paid for each registration period for each principal, lobbying firm or lobbyist required to be registered, even if employed by a firm, association, corporation, partnership, business trust or business entity that is also required to register and that has paid or will pay the annual registration fee.

(C) The annual registration fee is nonrefundable and nontransferable and is a flat fee for the calendar year in which it is paid, regardless of when during the calendar year the annual registration fee is paid. A registrant will not be required to pay more than one annual registration fee in any given calendar year, unless a registrant terminates and attempts to reregister during the same calendar year.

(D) The failure to pay an annual registration fee as required by Chapter 20-1200 constitutes a failure to register.

#### **9.6 Renewal of Registration.**

(A) An annual registration shall end on December 31 of a calendar year.

(B) A new registration statement shall be filed and an annual registration fee shall be paid for each calendar year as required by Paragraph 9.3.

#### **9.7 Contents of Principal and Lobbying Firm Registration Statements**

(A) Each principal or lobbying firm required to register shall file a separate registration statement setting forth the following information:

- (1) Name and PLIS registration number.
- (2) Permanent address.
- (3) Daytime telephone number.
- (4) E-mail address.

- (5) Name and nature of business.
- (6) Name, Department of State registration number and acronym of any affiliated political action committees.
- (7) Name, permanent business address, and PLIS registration number of each individual who will for economic consideration engage in lobbying on behalf of the principal or lobbying firm.
- (8) Date lobbying commenced.

NOTE: In light of the requirement in Code Section 20-1202(1) that registration must be filed within ten days of “engaging in lobbying” (if other thresholds are met), the information in (8) above is necessary in order for the Board to be able to determine if the deadline requirements are being complied with. This Paragraph 9.7(A)(8) does not define “lobbying” for any other purpose. See the Example at Paragraph 9.3 for further explanation.

**(B)** A lobbying firm shall include in its registration statement the following information for each principal it represents:

- (1) Name.
- (2) Permanent business address.
- (3) Telephone number.
- (4) PLIS Registration number.

**(C)** 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.

## **9.8 Signatures on Registration Statements**

**(A)** If a principal or lobbying firm is an individual, that individual shall sign the registration statement with his or her electronic signature.

**(B)** If a principal is a firm, association, corporation, partnership, business trust or business entity, a named officer or other individual who has the authority to sign documents on behalf of the principal shall sign the registration statement with his or her electronic signature.

(C) A lobbyist who is an individual shall sign the registration statement with his or her electronic signature.

(D) An electronic signature on a registration statement that is filed with the Board by a principal, lobbying firm, or lobbyist shall:

(1) Constitute the oath or affirmation required pursuant to City Code §20-1206(3) of the individual who signed the registration statement to the validity and accuracy to the best of the attester's knowledge of the information reported on the registration statement and that the individual acknowledges that the oath or affirmation is being made subject to 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities), and

(2) Constitute consent by the principal, lobbying firm, or lobbyist to receive service of notices, other official mailings, or process at the address listed in the registration statement that was filed with the Board, even if the principal or lobbying firm is located outside the City.

### **9.9 Contents of a Lobbyist Registration Statement.**

(A) A lobbyist who is required to register shall file a single registration statement with the Board, setting forth the following information:

(1) Name.

(2) Permanent business address.

(3) Daytime telephone number.

(4) E-mail address.

(5) Name, permanent business address, daytime telephone number and PLIS registration number of each principal for whom the lobbyist will engage in lobbying.

(6) Name and PLIS registration number of any lobbying firm with which the lobbyist has a relationship involving economic consideration.

(7) Name, Department of State registration number and acronym of any affiliated political action committees.

(8) Name, Department of State registration number and acronym of any candidate political committee of which the lobbyist is an officer who must be included in a registration statement under section 1624(b)(2) and (3) of the Pennsylvania Election Code.

(9) Date lobbying commenced.

(B) A lobbyist who is an individual shall include a recent passport-sized (2 inch x 2 inch) photograph of the lobbyist at the time he or she files the registration statement.

(C) If a lobbyist is a firm, association, corporation, partnership, business trust or business entity, the registration statement shall be signed by a named officer or other individual who has the authority to sign documents on its behalf.

(D) The failure to submit a photograph constitutes a failure to register as required by Chapter 20-1200.

(E) A lobbyist shall indicate on the registration statement if he or she is admitted to practice law by a court of record of the Commonwealth of Pennsylvania.

#### **9.10 Amending a Registration Statement.**

(A) A principal, lobbying firm, or lobbyist shall file an amended registration statement with the Board within 14 days after a change occurs in the information required to be included in any registration statement.

(B) A principal that is an association or organization shall amend its registration statement if there is a change in the number of the principal's dues-paying members. The amended registration statement shall be filed with the Board within 14 days of the end of the year in which the change occurs.

#### **9.11 Termination of Registration; Notice of Termination.**

(A) A lobbyist, lobbying firm or principal shall terminate his, her or its registration by filing a notice of termination with the Board.

(B) After a review of the notice of termination, but no later than 30 days after receipt of the notice, the Board shall issue to the lobbyist, lobbying firm or principal a letter stating that the registrant has terminated registration. The filing of a notice of termination shall not affect the Board's authority to conduct investigations and hearings.

(C) No lobbying may occur after the filing of a notice of termination unless the lobbying is pursuant to a separate registration statement that is filed with the Board and that, at the time of the lobbying, has not been terminated.

(D) Filing a notice of termination shall not exempt a lobbyist, lobbying firm or principal from any of the requirements in City Code §20-1203, relating to reporting.

## **SUBPART C. QUARTERLY EXPENSE REPORT; CONTENTS**

### **9.12 RESERVED**

**9.13 General rule.** A registered principal shall, under affirmation, file an expense report with the Board, in the electronic format and with an electronic signature or signatures, as required by this Regulation, no later than 30 days after the last day of each reporting period.

### **9.14 Reporting Threshold.**

(A) A registered principal shall file a quarterly expense report required under this section when total expenses for lobbying made on the principal's behalf by the registered principal, its registered lobbying firm(s) and registered lobbyist(s) exceed \$2,500 in a reporting period.

(B) In a reporting period in which total expenses for lobbying on the principal's behalf by the registered principal, its registered lobbying firm(s) and registered lobbyist(s) are \$2,500 or less, a statement to that effect shall be filed by checking the appropriate block on the quarterly expense report form.

### **9.15 Reporting of Direct and Indirect Communications Conducted in an Expense Report Period.** Each expense report shall include the following:

(A) The names, PLIS registration numbers, addresses, and phone numbers of all lobbyists by whom lobbying is conducted on behalf of the principal. The expense report shall include the electronic signature of each lobbyist or lobbying firm named in the expense report.

(B) A description of each specific subject matter, issue, administrative action, or legislative action (including bill number, if any) being lobbied and the following additional information for the direct communications concerning that subject matter, issue, administrative action, or legislative action:

(1) The category of the subject matter or issue being lobbied which shall be indicated by selecting the appropriate subject matter category from a drop down menu in PLIS on the expense report form or, if no relevant category is available, by describing the subject matter or issue in the space provided.

(2) The position taken on the specific subject matter, issue, administrative action, or legislative action being lobbied, such as supported, opposed, proposed, or amended.

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(3) The name or names of the City official or employee who was lobbied and his or her department or agency.

(a) If a meeting is conducted with a City official or employee and members of that official's or employee's staff are present, it is sufficient to report the name of the City official or employee. It is not required to report the staff members in attendance.

(b) If a direct communication occurs during a City Council meeting or hearing with multiple individuals who are staff of a City official or employee, it is sufficient to report that the direct communication was with "staff of (name of official or employee)."

(C) A description of each specific subject matter, issue, administrative action, or legislative action (including bill number, if any) being lobbied and the following additional information for the indirect communications concerning that subject matter, issue, administrative action, or legislative action:

(1) The category of the subject matter or issue being lobbied which shall be indicated by selecting the appropriate subject matter category from a drop down menu in PLIS on the expense report form or, if no relevant category is available, by describing the subject matter or issue in the space provided.

(2) The position taken on the specific subject matter, issue, administrative action, or legislative action being lobbied, such as supported, opposed, proposed, or amended.

(3) A description of the persons or groups to whom the indirect communication was directed;

(4) The method used for the indirect communication, such as a letter, billboard, or telephone bank.

(5) The term indirect communication shall not include regularly published periodic newsletters primarily designed for and distributed to members of a bona fide association or charitable or fraternal nonprofit corporation.

**Example 1:** Assuming that no exemption pursuant to Paragraph 9.24 applies, when lobbying concerns an insurance contract with the City, the category selected shall be "insurance," and it shall be a sufficient description of the specific subject matter to report the contract number and the City Department from which the contract is sought.



**Example 2:** In 2015, Bill No. 15001 would rezone a property in City Neighborhood A to permit construction of a warehouse. Restaurant X is located next to the property in Bill No. 15001. Restaurant X pays for a billboard on Route 95 that tells residents of City Neighborhood A to call or write their Councilmember to oppose Bill No. 15001. Assuming that no exemption pursuant to Paragraph 9.24 applies, Restaurant X would report the following on its expense report: the category of the indirect communication is zoning; the specific subject matter is Bill No. 15001; the position is “opposed”; the method is a billboard; and the communication is directed to citizens.

**9.16 Reporting of Total Lobbying Costs in a Report Period.** The total costs of all lobbying expenses for the reporting period shall be reported on the expense report and shall include:

**(A)** The amount of economic consideration paid to lobbying firms or lobbyists for lobbying during the reporting period.

**(B)** The total costs for gifts, hospitality, transportation and lodging, given to or provided to City officials or employees or their immediate families during the reporting period.

(1) Any cost for a gift, hospitality, transportation or lodging given to or provided to a City official or employee or to his or her immediate family which is of a value not exceeding \$25 need not be included in the total costs for gifts, hospitality, transportation and lodging on an expense report. If the same or similar gift, hospitality or transportation or lodging is provided on more than one occasion or to more than one City official or employee, the aggregate economic value of which is more than \$50, that value shall be included on the expense report in the total costs reported for gifts, hospitality, transportation and lodging.

(2) The valuation of a complimentary ticket to a fundraiser shall be the ticket price to the general public.

(3) The reportable value of gifts, transportation, lodging or hospitality shall be the fair market value to the registrant, that is, the costs of purchasing the same or similar items or services in marketplace transactions.

(4) See also Paragraph 9.19 which requires that notice be given to the recipients of gifts, hospitality, transportation, and lodging.

**(C)** The total costs for personnel expenses made during the reporting period.

(1) Reportable personnel costs include expenditures for salaries or other forms of compensation, benefits, vehicle allowances, bonuses and reimbursable expenses paid to lobbyists, lobbying staff, research and monitoring staff, consultants, lawyers, publications and public relations staff and technical staff, as well as clerical and administrative support staff and individuals who engage in lobbying

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but who are exempt from reporting under City Code §20-1204 and Subpart D of this Regulation.

(2) Compensation, benefits and expenses of any nature shall be included if paid in furtherance of lobbying. These expenses include transportation, food and lodging paid for any individuals in furtherance of lobbying.

(3) If compensation is reported by or for an individual or entity whose lobbying is incidental to regular employment, it shall be sufficient to report a prorated estimate based on the value of the time devoted to lobbying.

**(D)** The total costs for office expenses during the reporting period, including but not limited to offices, equipment and supplies utilized for lobbying.

**(E)** Any other lobbying costs.

**(F)** Each lobbying expense described in Paragraphs 9.16(A) through 9.16(E), above, made during the reporting period shall be allocated to one of the following three categories and shall not be included in more than one category:

(1) The costs for gifts, hospitality, transportation and lodging given to or provided to City officials or employees or their immediate families and shall include any thing of value.

(2) The costs for direct communication.

(3) The costs for indirect communication.

**(G)** For the purpose of calculating total lobbying costs reportable in an expense report, a registrant may use a reasonable method of estimation and allocation. Any reasonable method may be used to determine how to allocate 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 when requested by the Board.

**(H)** 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 ensure that the related expenses are included in any expense report filed under Subpart C.

**9.17 Reporting Expenses for Gifts, Hospitality, Transportation and Lodging.**

**(A)** In accordance with Code Section 20-1203(2)(e), each expense report must include any expenditure on any gift, hospitality, transportation, or lodging, or reimbursement for the same, provided to a City official or employee, where the fair

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market value of the gift, hospitality, transportation, lodging, or reimbursement received exceeds the value of the cost borne by the official or employee.

**EXCEPTION:** When a City official or employee attends a reception in connection with his or her public office or employment at the invitation of and hosted by an organization and, at the reception, receives food, beverage, entertainment, and admission without charge, the fair market value of the same shall not be considered a gift to the individual official or employee within the meaning of Code Chapter 20-1200. Accordingly, the reception host is neither required to report the related expenditure on any expense report required to be filed under this Regulation or City Code Chapter 20-1200 nor to include it in the calculation of any reporting thresholds under this Regulation or City Code Chapter 20-1200. Provided, however, that if lobbying covered by Code Chapter 20-1200 occurs at such a reception, such lobbying activity and any related expenditure must be reported pursuant to Chapter 20-1200 and this Regulation.

**(B)** For each expenditure described in Paragraph 9.17(A), the report must identify the following:

- (1) Name of the official or employee who received the value.
- (2) Position of the official or employee who received the value and his or her job title and unit of government.
- (3) Description of thing of value provided, including fair market value received.
- (4) Date and place provided.
- (5) Name and address of the source of each gift, payment or reimbursement.

**(C)** For any quarterly report period, where the value of all expenditures for gifts, hospitality, transportation, lodging, or reimbursement received by a particular official or employee from the same registrant, in the aggregate for the calendar year, to that point, is less than \$200, Paragraph 9.17(C) does not require reporting of those expenditures pursuant to Paragraph 9.17(B) in that reporting period. However, the value shall be included in the total costs for gifts, hospitality, transportation, lodging or reimbursements pursuant to Paragraph 9.16(B).

**(D)** Notwithstanding Paragraph 9.17(C) above, once the aggregate total cost of all expenditures for gifts, hospitality, transportation, lodging, or reimbursements to a recipient in a calendar year reaches or exceeds \$200, the registrant shall report such previously unreported expenditures on that quarter's report, and on each subsequent expense report in that calendar year report the details of each subsequent gift, transportation, hospitality, lodging, or reimbursement to that recipient.

(E) A lobbyist, lobbying firm, principal, or City official or employee is not relieved by the provisions of Chapter 20-1200 from the restrictions in City Code §20-604 (Gifts, Loans and Favors to City Personnel), or from financial disclosure requirements such as those in Code §20-610, or from departmental or other restrictions or prohibitions on the offer or acceptance of gifts, hospitality, transportation, and lodging.

(F) The requirement to report gifts, hospitality, transportation, and lodging expenses shall not apply to anything of value received from immediate family when the circumstances make it clear that the motivation for the action was the personal or family relationship.

**Example:** Paul is a City employee who received tickets with a value of \$150 from a lobbyist for Principal A on March 15th. Because the \$150 gift of the tickets is less than \$200, Principal A is not required to disclose the details of the gift on the expense report for the first quarter, but must include the \$150 value of the tickets in the total costs for gifts, hospitality, transportation, and lodging on that report. See Paragraph 9.16.

On May 15<sup>th</sup>, another lobbyist for Principal A gives Paul tickets with a value of \$60. Because the total value of all gifts to Paul in the calendar year is now \$210, Principal A must on its second quarter report include the \$60 value of the tickets in the total costs for gifts, hospitality, transportation, and lodging, and report both the \$150 and \$60 gifts in detail. If Principal A gives any additional gifts in that calendar year to Paul, regardless of their value, each one must be reported in detail on the appropriate expense report and included in the total cost of gifts for the quarter.

### **9.18 Repayment to a Principal or Lobbyist for Gifts, Hospitality, Transportation or Lodging**

If a City official or employee repays, in whole or in part, any costs for gifts, hospitality, transportation or lodging received from a registrant, and if the gift, hospitality, transportation or lodging expense is or would have been required to be reported on an expense report under Paragraph 9.17, the expense report shall disclose both the expenditure and the repayment.

**Example:** On January 15<sup>th</sup>, a City official received tickets costing \$300 from a lobbyist for Principal A. On March 1<sup>st</sup>, the official sent a check for \$150 to Principal A as a partial repayment for the tickets. Because the \$300 gift of the tickets was \$200 or more, both the \$300 gift and the \$150 repayment must be reported on the principal's first quarter expense report.

**9.19 Written Notice to a Recipient of Gifts, Hospitality, Transportation or Lodging**

(A) At least seven days prior to submitting an expense report to the Board, a registrant shall provide written notice to each City official or employee who is listed in the expense report as a recipient of a gift or gifts, hospitality, transportation or lodging.

(B) The written notice shall include the following information:

- (1) The name of the recipient official or employee and his or her department and position;
- (2) The cost and a description of each gift, or payment for hospitality, transportation, or lodging;
- (3) The date and place of receipt;
- (4) The name and address of the source of the gift; and
- (5) 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.

**9.20 Lobbying Firm or Lobbyist Expense Report**

(A) Although generally not required to file expense reports, a lobbying firm or a lobbyist not associated with a lobbying firm shall submit an expense report if either of the following occurs:

- (1) During the reporting period the lobbying firm or lobbyist engaged in lobbying that was not reported in any expense report filed by a principal or principals represented; or
- (2) The lobbying firm or lobbyist engaged in lobbying on behalf of any entity that is exempt under City Code §20-1204(7) relating to government officials acting in an official capacity.

(B) The expense report filed by a lobbyist or lobbying firm shall contain the information described in Subpart C.

(C) The expense report shall be filed on or before the 30th day after the due date of a principal's report.

(D) The filing of an expense report by a lobbyist or lobbying firm does not relieve a principal of any reporting requirements.

**9.21 Reporting Contributions to a Principal:** Each expense report shall include the following:

(A) The name, permanent business address and daytime telephone number of any individual, association, corporation, partnership, business trust or other business entity that contributed more than 10% of the total resources received by the principal during the reporting period.

(B) The term “total resources” includes all contributions to the principal and all dues and grants received by the principal during the reporting period.

**9.22 Signatures Required on the Expense Report**

(A) Signature of Principal:

(1) If a principal or lobbying firm is an individual, that individual shall sign the expense report with his or her electronic signature.

(2) If a principal is a firm, association, corporation, partnership, business trust or business entity, a named officer or other individual who has the authority to sign documents on behalf of the principal shall sign the expense report with his or her electronic signature.

(3) Each electronic signature for the principal shall:

(a) Constitute the oath or affirmation required pursuant to Section 20-1206(3) of Chapter 20-1200, of the individual(s) who signed the expense report on behalf of the principal to the validity and accuracy to the best of the attester’s knowledge of the information reported on the expense report and that the individual acknowledges that the oath or affirmation is being made subject to 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

(b) Constitute consent to receive service of notices, other official mailings, or process at the address listed in the registration statement that was filed with the Board, even if the lobbyist is located outside the City.

(B) Signature of Lobbying Firm or Lobbyist

(1) A named officer or other individual in a lobbying firm who has the authority to sign documents on behalf of the lobbying firm shall sign the principal’s expense report with his or her electronic signature.

(2) A lobbyist shall sign the principal's expense report with his or her electronic signature.

(3) The electronic signature of the individual, described in (1) and (2) above shall serve as his or her affirmation, to the best of his or her knowledge, of the validity and accuracy of the information in the expense report during the reporting period. A lobbying firm or lobbyist may include with his or her electronic signature a description of the limits of his or her knowledge concerning contents of the expense report.

### **9.23 Amending an Expense Report**

(A) A principal, lobbying firm, or lobbyist shall file an amended expense report, including the required electronic signature(s), with the Board within 14 days after the principal, lobbying firm, or lobbyist determines that information was omitted from an expense report or that information reported in an expense report is incorrect.

(B) The filing of an amended expense report by a principal, lobbyist or lobbying firm does not relieve the principal, lobbyist or lobbying firm of any reporting requirements.

## **SUBPART D. EXEMPTION FROM REGISTRATION AND REPORTING**

### **9.24 Exemptions**

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 Council, or participating in an administrative proceeding of an agency. For this purpose, "administrative proceeding" shall have the meaning as defined in 2 Pa. C.S. §101, and the phrase "administrative proceeding of an agency" shall refer to adjudications under the Local Agency Law, 2 Pa.C.S. §551 *et seq.*

**Note:** This Paragraph 9.24(A) is derived from an exemption stated in the Philadelphia Code, Section 20-1204(1). See the Note to Paragraph 9.24(J), below.

(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.

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- (C) An individual who does not receive economic consideration for lobbying.
- (D) An individual whose economic consideration for lobbying, from all principals represented, does not exceed \$2,500 in the aggregate during any reporting period.
- (E) An individual who engages in lobbying on behalf of the individual's employer if the lobbying represents less than 20 hours during any reporting period.
- (F) Except as required under City Code §20-1203(7), a principal whose total expenses for lobbying purposes do not exceed \$2,500 during any reporting period.

**Example:** In January 2012, a nonprofit group that supports safety hires a lobbyist (registered with the State) to meet with the Mayor, along with the group's executive director, to ask for his support of a bill in Council prohibiting anyone from running with scissors. The executive director and the lobbyist both spend 5 hours preparing for the meeting and meeting with the Mayor, and the lobbyist bills the nonprofit group \$1000 for his time. That is the only lobbying in Philadelphia for any client that the lobbyist does in the first half of 2012 and the only lobbying activity that the nonprofit group engages in during that same period. Who must register and report?

Result: No one. Even though the activity is clearly lobbying under Paragraph 9.1(X), the lobbyist did not receive more than \$2500 in the quarter, and is exempt under 9.24(D). The executive director of the nonprofit did not spend 20 hours in lobbying in the quarter, and is exempt under 9.24(E). And the nonprofit group itself did not incur lobbying expenses exceeding \$2500 during the quarter, and is exempt under 9.24(F).

(G) A City official or employee who acts in an official capacity, as well as elected or appointed officials and employees of the following jurisdictions, when acting in an official capacity: the Commonwealth, political subdivisions thereof, other States or political subdivisions thereof, and the federal government.

(H) 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.

(I) An individual who is not a registered lobbyist and who serves on an advisory board, working group or task force at the request of a City agency.

(J) Participating as a party or as an attorney at law or representative of a party in a case or controversy, or in any administrative adjudication. This includes all actions, including responses, questions, discussions, submissions, and settlement negotiations regarding any claim, controversy, assessment, voluntary tax disclosure, or letter



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ruling request. Provided, however, that this exemption shall not apply to efforts to influence general policy on behalf of an interest group, nor to direct communications with City officials 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.

**Note:** This Paragraph 9.24(J) is derived from an exemption stated in the Philadelphia Code, Section 20-1204(10). Other communications with the City government, in the normal process of a party seeking to resolve a dispute with the government, may not be exempt under this Paragraph 9.24(J). However, such communications may not constitute “lobbying” as defined in Paragraph 9.1(X). In difficult cases, advice should be sought, in advance of acting, from the Board, in accordance with Regulation No. 4.

**(K)** Expenditures and other transactions subject to reporting under Article XVI of the Pennsylvania Election Code.

**(L)** Activities and efforts directly related to responding to publicly advertised invitations to bid and requests for proposals.

**(M)** Communication with a City official or employee on a routine, ministerial matter. For purposes of this exemption, “routine, ministerial matters” include, but are not limited to, the following:

- (1) Scheduling a meeting;
- (2) Requesting information about the status of an administrative matter;
- (3) Requesting forms or procedures;
- (4) Requesting information on requirements for compliance with existing laws or regulations;
- (5) Participating in an inspection required by law;
- (6) Responding to an audit conducted pursuant to law;
- (7) Performing services pursuant to an existing contract;
- (8) Inquiring about the delivery of services or materials pursuant to an existing contract;

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(9) Filing a complaint with a City agency to seek enforcement of existing laws or regulations;

(10) Filing a response to a complaint or other enforcement action commenced by a City agency;

(11) 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.

(N) Communications concerning extensions of an existing contract with the City are not routine, ministerial matters.

(O) For purposes of this Regulation and Chapter 20-1200, 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 officials 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.

(P) Activities of an individual volunteer, not undertaken for compensation, including an attorney rendering pro bono publico services in activities for improving the law.

## **SUBPART E. INDIRECT COMMUNICATION DISCLOSURE**

### **9.25 Identification of Person Who Financed an Indirect Communication**

Whenever any person makes an expenditure for indirect communication for the purpose of disseminating or initiating a communication, such as a mailing, telephone bank, print or electronic media advertisement, billboard, publication or education campaign, the communication shall clearly and conspicuously state the name of the person who made or financed the expenditure for the communication.

## **SUBPART F. PROHIBITED ACTIVITIES AND UNLAWFUL ACTS**

### **9.26 Prohibited Activities**

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**(A) Political Committees.** A lobbyist may not serve as a treasurer or other officer who must be included in a registration statement under section 1624(b)(2) and (3) of the Pennsylvania Election Code, for a candidate's political committee or a candidate's political action committee if the candidate is seeking City elected office.

**(B) Fee Restrictions.** A lobbyist may not 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 subject to reporting under Article XVI of the Pennsylvania Election Code.

**(C) Falsification.** A lobbyist, lobbying firm or principal may not, for the purpose of influencing legislative action or administrative action, transmit, utter or publish to a City official or employee a communication, knowing that the communication or a signature on the communication is false, forged, counterfeit or fictitious.

**(D) Conflicts of Interest**

(1) Except as permitted by Paragraph 9.26(D)(2), a registrant may not lobby on behalf of a principal on any subject matter in which the principal's interests are directly adverse to the interests of another principal currently represented by the lobbyist or previously represented by the lobbyist during the current four-year session of Council, or directly adverse to the lobbyist's own interests.

(2) A lobbyist may represent a principal in circumstances described in Paragraph 9.26(D)(1) if:

(a) The lobbyist reasonably believes that the lobbyist will be able to provide competent and diligent representation to each affected principal;

(b) The lobbyist provides written notice to each affected principal upon becoming aware of the conflict; and

(c) Each affected principal provides written informed consent waiving the conflict of interest.

(3) If a lobbyist represents a principal in violation of Code Section 20-1205 or if multiple representation properly accepted becomes improper under this section and the conflict is not waived, the lobbyist shall promptly withdraw from one or more representations to the extent necessary for the remaining representation to not be in violation of that section.

(4) If a lobbyist is prohibited by Code Section 20-1205 from engaging in particular conduct, an employer of the lobbyist or a partner or other person associated with the lobbyist may not engage in the particular conduct.

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(5) A principal or lobbyist required to file an expense report under this Chapter shall include in the report a statement affirming that to the best of the principal's or lobbyist's knowledge the principal or lobbyist has complied with this section.

(6) A lobbyist and principal shall maintain the records relating to the conflict of interest set forth in Paragraph 9.26(D) for a four-year period beginning on the date the conflict is discovered and provide copies of the records to the Board upon request.

(7) Complaints regarding violations of Code Section 20-1205(5) involving a lobbyist or principal who is an attorney at law shall be referred to the Disciplinary Board to be investigated, considered and resolved in a manner consistent with the Rules of Professional Conduct.

**(E) Multiple Principals.** Nothing in this Subpart shall be construed to require a lobbyist representing multiple principals who each have an interest in the budget process to comply with Paragraph 9.26(D)(3) unless a conflict of interest exists under Paragraph 9.26(D)(1).

**(F) Contingent Compensation.**

(1) 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 any of the following:

- (a) Occurrence, nonoccurrence or amendment of legislative action.
- (b) Occurrence, nonoccurrence or amendment of an administrative action.

(2) A person may not engage in or agree to engage in lobbying for compensation contingent in whole or in part upon any:

- (a) Occurrence, nonoccurrence or amendment of legislative action.
- (b) Occurrence, nonoccurrence or amendment of an administrative action.

(3) It shall not be a violation of Paragraph 9.26(F) or Code Section 20-1205(7) for an individual who is paid on a contingent or commission basis for the sale of goods or services to contact a City official or employee regarding the purchase by the City of such goods or services, provided that such individual is contacting only those City officials or employees who have responsibility for making purchasing decisions regarding such goods or services in the normal course.

**9.27 Unlawful Acts**

**(A)** A lobbyist or principal may not:

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- (1) Instigate the introduction of legislation for the purpose of obtaining employment to lobby in opposition to that legislation.
- (2) Knowingly counsel a person to violate Philadelphia Code Chapter 20-1200 or any other provision of the City Code or of any Federal or State statute.
- (3) Engage in or counsel a person to engage in fraudulent conduct.
- (4) Attempt to influence a City official or employee on legislative or administrative action by making or facilitating the making of a loan to the City official or employee.
- (5) While engaging in lobbying on behalf of the principal, refuse to disclose to a City official or employee, upon request, the identity of the principal.
- (6) Commit a criminal offense arising from lobbying.
- (7) Influence or attempt to influence, by coercion, bribery or threat of economic sanction, a City official or employee in the discharge of the duties of office.
- (8) Extort or otherwise unlawfully retaliate against a City official or employee by reason of the City official's or employee's position with respect to or vote on administrative or legislative action.
- (9) Attempt to influence a City official or employee on legislative or administrative action by the promise of financial support or the financing of opposition to the candidacy of the City official or employee at a future election.
- (10) Engage in conduct that brings the practice of lobbying or the legislative or executive branches of City government into disrepute.
- (11) Make a material misstatement or omission on a registration statement or expense report filed with the Board pursuant to this Regulation and Chapter 20-1200. Provided, however, that if a lobbyist, lobbying firm, or principal 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, it shall not be a violation of this Chapter; further provided, however, that this exception shall not apply in cases where the filer learns of the material misstatement or omission from the Ethics Board.

**(B)** The Board:

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- (1) May, as it deems appropriate, refer an alleged violation of Code Section 20-1205(8) to any appropriate agency for investigation or law enforcement agency for investigation and prosecution; and
- (2) Shall, if the subject of the complaint is an attorney at law, refer an alleged violation of Code Section 20-1205(8) to the Disciplinary Board.

## **SUBPART G. LOBBYING RECORDS**

### **9.28 Records**

- (A) A registrant shall maintain records of its Philadelphia lobbying activity in sufficient detail to enable the registrant to fully comply with the registration and reporting requirements of Chapter 20-1200, which records may be in written or electronic formats. If a document is maintained in an electronic format, it shall be maintained to enable the Board to access in readable form all of the information reasonably necessary to substantiate the registration statements or reports.
- (B) The documents to be used in recordkeeping include: books, journals, ledgers, accounts, statements, invoices, bills, vouchers, receipts, charge slips, cancelled checks, payroll check stubs, time sheets, tax returns and related forms, contracts, subcontracts, business diaries and calendars and other related written or computerized records.
- (C) A registrant may keep records of all lobbying activity separate from records of the registrant's non-lobbying activity. If a registrant's records include records of lobbying and non-lobbying activities, only those records that pertain to Philadelphia lobbying activity shall be retained and made available for inspection by the Board, upon request, as required by Code Section 20-1203(6) and this Regulation. Upon receipt of a request from the Board to examine lobbying records, a registrant may redact any records which do not pertain to Philadelphia lobbying activity.
- (D) If an original source document is not available to support a reportable expenditure, the registrant shall upon payment of the expenditure 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.
- (E) Documents to substantiate contributions of resources reportable under Paragraph 9.21, must include for each reportable item, the following information:
  - (1) The full names of the donor and donee.
  - (2) The amount or value and date of the contribution.

- (3) In the case of a nonmonetary contribution, a description of the goods, services or other forms of resources provided.
- (4) Instructions, directions, conditions, restrictions, limitations or controls provided or imposed by the donor as to the use or disposition of the contribution.

**9.29 Period of Retention:** A registrant shall retain all records of lobbying activity described in Subpart G for four years from the date of filing the subject report. Upon request by the Board, these materials shall be made available to the Board for inspection within ten business days.

## **SUBPART H. ADVICE AND OPINIONS; ENFORCEMENT; PENALTIES; and TRAINING**

### **9.30 Advice and Opinions**

Requests for advisory opinions and the process of issuing advisory opinions shall be subject to Board of Ethics Regulation No. 4, with the following additions:

- (A) Paragraph 4.1(b), “such other matters as may be assigned by Council” shall be understood to include Chapter 20-1200.
- (B) Paragraphs 4.1(c) and 4.1(f), in listing the persons who may receive advice, shall be read to include a lobbyist, a lobbying firm, a principal, the Disciplinary Board or a person or entity seeking to determine whether that person or entity is required to register or file expense reports pursuant to Chapter 20-1200 and this Regulation.
- (C) Paragraph 4.4, on the information to be provided by a requestor, shall be read to require, from requestors, additional detail relating to the name, address, and telephone number of any principal, lobbyist, or lobbying firm that is the subject of the request.

### **9.31 Enforcement**

- (A) Investigations and hearings shall be governed by Board of Ethics Regulation No. 2, with the following additions:
- (B) Paragraph 2.0(a), “other matters assigned to the Board by City Council” shall be understood to include Chapter 20-1200.

### **9.32 Penalties**

- (A) A person who violates this Chapter shall be subject to a civil penalty of up

to \$2,000.

**(B)** Notwithstanding Paragraph 9.32(A), above, failure to register or report as required by Chapter 20-1200 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.

**(C)** In addition to any penalties imposed under Chapter 20-1200, the Board may prohibit a person from lobbying for economic consideration for up to five years for intentional violations of this Chapter. The Board shall not impose the prohibition under this Paragraph unless the person has been afforded the opportunity for a hearing.

**(D)** The Board shall notify the Disciplinary Board of any lobbyist or principal who is an attorney at law against whom a civil penalty is imposed.

**(E)** Affirmative Defense. Any of the following is an affirmative defense to an action brought under Chapter 20-1200:

(1) The respondent relied on an advisory opinion issued to the respondent by the Board pursuant to Paragraph 9.30.

(2) The respondent reasonably relied on notice as required by Paragraph 9.19.

### **9.33 Training**

**(A)** Each lobbyist and principal shall within 120 days of filing a registration statement pursuant to Subpart B attend an initial training session conducted by the Board regarding the requirements of Chapter 20-1200 and other relevant sections of the City Code. Principals that do not have an office in Pennsylvania, Maryland, Delaware, or New Jersey may be sent materials prepared by the staff of the Board.

**(B)** In addition to the initial training described above, each lobbyist and principal shall be required to attend further training if the Board shall determine, by Resolution adopted at a public meeting, that additional training is necessary. Factors to be considered by the Board in determining whether additional training is necessary include:

(1) Any recent amendments to Chapter 20-1200 or other relevant sections of the City Code, and the degree of substantive change represented by such amendments;

(2) The number of years since the initial training attended by the lobbyist or principal;



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- (3) Other significant events that may indicate that re-training is called for;
- (4) The availability and cost of available methods of providing training, such as on-line computer training;

(C) Training programs developed and conducted by the Board shall include programs developed and approved by staff of the Board and on-line training programs developed by staff.

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