

## ORDINANCE

### BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

**SECTION 1.** Chapter 2-156 of the Municipal Code of Chicago is hereby amended by deleting the language struck through and by inserting the language underscored, as follows:

#### **2-156-010 Definitions.**

The following definitions shall apply for purposes of this chapter:

(a) ~~“Administrative or legislative action” means any decision on, or any proposal, introduction, sponsorship, consideration, enactment, amendment, passage, opposition, support, approval, disapproval, decision, veto, or making of any rule, regulation, or any other official nonministerial action or non-action by any executive department, or by any official or employee of an executive department, or any matter which is within the official jurisdiction of the executive branch other nonministerial action or inaction, by any City employee, official, City department or City agency with respect to:~~

- i. a bond inducement matter;
- ii. a zoning matter;
- iii. a rate or fee making matter;
- iv. the creation of a tax increment financing district;
- v. the expression of support for a favorable Cook County property tax classification;
- vi. a concession or franchise agreement;
- vii. the acquisition, lease, license or disposition by the City of any interest in real, personal or intellectual property;
- viii. the procurement of goods, services or construction, including the preparation or modification of contract specifications, or the solicitation, award or administration of a contract;
- ix. the solicitation, award or administration of a grant, loan, or agreement involving the disbursement of public monies;
- x. any ordinance, resolution, motion, order, appointment, application or other matter proposed for potential introduction into, or pending in, the City Council of any committee or subcommittee thereof;
- xi. the adoption of any City rule having the force and effect of law; or
- xii. the enactment of any state or federal legislation, rule or regulation.

*(Omitted text is not affected by this ordinance)*

~~(o) “Legislative action” means the introduction, sponsorship, consideration, debate, amendment, passage, defeat, approval, veto or other official action or non-action on any ordinance, resolution, motion, order, appointment, application or other matter pending or proposed in the city council or any committee or subcommittee thereof.~~

(o-1) “Lobby” or “lobbying” means the conduct described in subsection (p) of this Section 2-156-010.

(o-1) "Lobbyist reporting period" means any of the following four periods: January 1 to March 31, inclusive; April 1 to June 30, inclusive; July 1 to September 30, inclusive; and October 1 to December 31, inclusive, of any calendar year.

(p) "Lobbyist" means any person individual who, on behalf of any person other than himself themselves, or as any part of their duties as an employee of another, undertakes contacts or communicates directly with a City employee or official to influence any legislative or administrative or legislative action, if such individual: (i) is paid or otherwise compensated, or has spent, at least \$1,250, in any combination, for those efforts in any lobbyist reporting period, and (ii) spends more than 20 hours on those efforts in any lobbyist reporting period. including but not limited to:

- (1) — A bond inducement ordinance;
- (2) — A zoning matter;
- (3) — A concession agreement;
- (4) — The creation of a tax increment financing district;
- (5) — The establishment of a Class 6(b) Cook County property tax classification;
- (6) — The introduction, passage or other action to be taken on an ordinance, resolution, motion, order, appointment or other matter before the city council;
- (7) — The preparation of contract specifications;
- (8) — The solicitation, award or administration of a contract;
- (9) — The award or administration of a grant, loan, or other agreement involving the disbursement of public monies; or
- (10) — Any other determination made by an elected or appointed city official or employee of the city with respect to the procurement of goods, services or construction.

Provided, however, that a person an individual shall not be deemed to have undertaken to influence any legislative or administrative action to be a lobbyist solely: (i) by submitting an application for a city permit or license or (ii) by responding to a city request for proposals or qualifications or (iii) by seeking city services generally available to residents of the city, including, but not limited to, seeking establishment or modification of water, sewer, or garbage service, seeking review of a water or sewer bill believed to be in error, seeking parkway tree trimming services, seeking to have a pothole filled, seeking graffiti removal services, or seeking a temporary street closure in connection with a neighborhood block party. It shall not constitute lobbying as defined here for an individual who is paid on a contingent or commission basis for the good faith 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 of business.

The term "lobbyist" shall include, but is not limited to, any attorney, accountant, or consultant engaged in the above described activities lobbying; provided, however, that an attorney shall not be considered a lobbyist while representing clients in a formal adversarial hearing. A person who seeks to influence legislative or administrative action on behalf of a not-for-profit entity shall be deemed a lobbyist only if such person: (i) is paid or otherwise compensated for those efforts or (ii) undertakes those efforts as a matter of professional engagement, regardless of pay or other compensation.

The term "lobbyist" shall not include: (i) any employee or official of another government unit who engages in the above-described activities on behalf of that government unit; or (ii) a person who: (a) attends a meeting with an employee or official simply to provide technical information or address technical questions; (b) attends a meeting to provide clerical or administrative assistance (including audio/visual, translation or interpretation and sign language); (c) attends a meeting to observe for educational purposes; or (d) plays no role in the strategy, planning, messaging, or other substantive aspect of the overall lobbying effort.

*(Omitted text is not affected by this ordinance)*

(x) "Seeking to do business" means (1) taking any action within the past six months to obtain a contract or business from the city when, if such action were successful, it would result in the person's doing business with the city; and (2) the contract or business sought has not been awarded to any person.

(x-1) "Self-defense communication" means contact or communication by, or on behalf of, a not-for-profit entity with a City employee or official regarding administrative or legislative action that potentially harms, diminishes or eliminates:

(1) the existence of the entity; or

(2) the powers and duties of the entity; or

(3) the tax-exempt status of the entity or tax deductibility of contributions made to the entity.

*(Omitted text is not affected by this ordinance)*

## **2-156-210 Persons required to register.**

Each lobbyist shall register and file reports with the board of ethics as provided in this article. This section shall extend to any person who undertakes to influence any ~~legislative or~~ administrative or legislative action as any part of his duties as an employee of another, regardless of whether such person is formally designated as a lobbyist by his employer.

## **2-156-220 Persons or entities not required to register.**

This article is not intended and shall not be construed to apply to the following:

*(Omitted text is not affected by this ordinance)*

(c) Persons who advise, or participate in, drafting Municipal Code or other ordinance revisions at the request of the city; or

(d) Persons who (i) testify publicly before the city council, a committee or other subdivision of the city council, or any city agency, department, board or commission; (ii) participate at the request of a City official, employee, department or agency on a task force, commission, working group, advisory committee or other similar body addressing an issue or

situation pertaining to the City, its policies, economics, budget or well-being of its citizens; or (iii) fund or co-fund a City position or program at the request of or in coordination with a City agency, department or the Office of the Mayor. This exemption (d) shall apply only to the extent that such persons ~~appear~~ engage in the foregoing capacity. If such persons also engage in activities for which this article otherwise requires them to register, they shall so register for those activities.

*(Omitted text is not affected by this ordinance)*

(e) Persons who, either as a member of, or on behalf of, a not-for-profit entity: (1) undertake nonpartisan analysis, study, and research; (2) provide technical advice or assistance; ~~or~~ (3) examine or discuss broad social, economic, and similar problems and related solutions; or (4) make a self-defense communication.

### **2-156-230 Information required of registrants.**

*(Omitted text is not affected by this ordinance)*

(d) The registration statement required under this section shall be accompanied by a written statement certifying that all information contained therein is true and correct, and a registration fee of \$350.00 per person identified as a lobbyist in the registration statement. In addition to this registration fee of \$350.00 per person, there shall also be an annual fee of \$75.00 for each additional registered client after the first client. Provided, however, that the board shall consider and may, in accordance with objective criteria established by rule, grant a waiver or reduction of the registration fee required under this subsection (d) for a specific lobbyist, upon written request in a format and accompanied by such proof as may be specified by the board, based on the following: (i) the lobbyist is a person who is paid or otherwise compensated to influence ~~legislative or administrative~~ or legislative action solely on behalf of one non-for-profit entity; and (ii) the entity is exempt from income taxation under Section 501(c)(3) or Section 501(c)(4) of the Internal Revenue Code of 1986.

### **2-156-250 Reports of lobbying activities.**

No later than January 20th, April 20th, July 20th and October 20th of each year, each registrant shall file with the board of ethics a written report of lobbying activities during the previous three calendar months. The report shall be on a form prescribed by the board, which may include electronic submission, and shall contain:

(a) The registrant's name, permanent address, and temporary address (if any) while lobbying;

(b) With respect to each client:

(i) The name, business and permanent address and nature of business of the client and of any other business entities on whose behalf lobbying was performed;

(ii) A statement of the amount of compensation received from each client;

(iii) The name of each city agency before which the registrant lobbied and a brief description of the ~~legislation or administrative or legislative action involved~~ that the registrant sought to influence, including, (A) if any, the title and file number of any resolution, motion, appeal, application, petition, nomination, ordinance, amendment, approval, referral, license, entitlement, or contract; and (B) the outcome sought by the client;

(c) The total amount of expenditures, outside his own business entity, for lobbying in each of the following categories:

(i) Office expenses;

(ii) ~~Public education, a~~Advertising and publications;

(iii) Compensation to others, provided that compensation paid by employees of a non-profit organization, or by the non-profit organization itself, as stipends to other individuals to participate in activities that would constitute lobbying, without regard to whether those other individuals' activities would meet the compensation or hours-spent thresholds set forth in Section 2-156-010(p), shall not count toward such employee's own expenditures for determining whether that employee must register as a lobbyist pursuant to Section 2-156-010(p);

(iv) Personal sustenance, lodging and travel;

(v) Other expenses; provided, however, that each expenditure of \$250.00 or more shall also be itemized by the date of the expenditure, the amount, purpose and beneficiary of the expenditure, the name, address and nature of business of the recipient, and ~~the legislative or administrative or legislative action, if any, in connection with which said expenditure was made;~~

*(Omitted text is not affected by this ordinance)*

### **2-156-300 Contingent fees.**

No person shall retain or employ a lobbyist for compensation contingent in whole or in part upon the approval or disapproval of any ~~legislative or administrative matter~~ or legislative action, and no person shall accept any such employment or render any service for compensation contingent upon the approval or disapproval of any ~~legislative or administrative matter~~ or legislative action.

### **2-156-308 Duty to report persons who have failed to register.**

The head of any city department and each city employee designated by a department head as having policy-making authority shall be required to report to the board of ethics any person who they believe has undertaken to influence any ~~legislative or administrative or legislative action~~ when such department head or designated city employee has knowledge that the person who they believe has undertaken to influence ~~legislative or administrative or legislative action~~ is not registered as a lobbyist as required by this article.

### **2-156-465 Sanctions.**

*(Omitted text is not affected by this ordinance)*

(b) *Fines.* The following fines shall, as appropriate, apply to violations of this chapter:

*(Omitted text is not affected by this ordinance)*

(3) ~~*Failure to register by lobbyists. or file reports by lobbyists.*~~ (i) Any lobbyist who violates section 2-156-245 ~~or section 2-156-270~~ because they failed to register on behalf of one or more clients pursuant to 2-156-230 shall be fined \$1,000.00 for each such violation. Each day that a violation continues shall constitute a separate and distinct offense to which a separate fine shall apply. Any lobbyist who violates any provision of Article IV of this chapter shall be subject to the suspension of his lobbyist registration. The Board shall also make public, in a manner the Board deems appropriate, the names of lobbyists who violate Section 2-156-245 ~~or 2-156-270~~ and fine assessed.

(ii) Any lobbyist who is registered with the Board and who violates section 2-156-245 because they failed to re-register with the Board or properly terminate their registration as required in 2-156-230 or 2-156-280 shall be fined \$250.00 for each such violation. Each day that a violation continues shall constitute a separate and distinct offense to which a separate fine shall apply. Provided, however, the maximum total fine for all violations of section 2-156-245 that stem from a single incident of failure by a lobbyist to file a re-registration or termination described in 2-156-465(3)(ii) shall not exceed \$20,000.00. The Board shall also make public, in a manner the Board deems appropriate, the names of lobbyists who violate Section 2-156-245 and fine assessed.

(4) ~~*Failure to file reports by lobbyists.*~~ Any lobbyist who violates section 2-156-270 shall be fined \$250.00 for each such violation. Each day that a violation continues shall constitute a separate and distinct offense to which a separate fine shall apply. Provided, however, the maximum total fine for all violations of section 2-156-270 that stem from a single incident of failure to file a report by a lobbyist shall not exceed \$20,000.00. The Board shall also make public, in a manner the Board deems appropriate, the names of lobbyists who violate Section 2-156-270 and fine assessed.

(54) *Improper contributions.* Any person who knowingly makes, solicits or accepts a political contribution in violation of Section 2-156-140 or Section 2-156-445 shall be subject to a fine of not less than \$1,000.00 and up to the higher of \$5,000.00 or three times the amount of the improper contribution that was accepted for each violation of these sections.

(65) *Violation of chapter provisions.* Any person who violates any other provision of this chapter, where no other fine is specifically provided, shall be subject to a public censure by the Board and a fine of not less than \$500.00 and not more than \$20,000.00 for each offense; provided that the Board may also impose a fine equal to the financial benefit an official or employee realized from a violation, if higher.

(76) *Candidates: filing of statements of financial interests.* Any person who qualifies as a candidate for City office who knowingly files a false or misleading statement of financial interests shall be subject to fines as provided in subsection (a)(5) of this section.

*(Omitted text is not affected by this ordinance)*

**SECTION 2.** This ordinance shall take effect 10 days after its passage and publication.

A handwritten signature in black ink, appearing to read "Matt J. Martin", enclosed within a faint rectangular border.

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Matthew J. Martin  
Alderman, 47<sup>th</sup> Ward