

## Major Proposed Austin Lobby Reform Provisions Compared to State Law

PROPOSED CITY PROVISION	CURRENT STATE LAW	COMMENT/EXPLANATION
<b>LOBBYING THRESHOLDS AND EXCEPTIONS</b>		
1. Lobbyist registration threshold is raised to \$2000 in compensation during a quarter AND 26 hours of time. (Proposal 4-8-3 (A))	State law registration threshold is \$1000 in compensation a quarter and 26 hours of time. Tex. Gov. Code 305.003; Rule 34.43	Current city law is \$200 a quarter with no hours' requirement. Proposed ordinance includes dollar and time thresholds; the dollar amount is double state law and ten times current city law.
2. Adds a number of lobbying compensation exceptions from state law with clarifying language for the municipal context and to prevent abuse. (Proposal 4-8-3(D), 4-8-15)	Similar to state law exceptions. Tex. Gov. Code. 305.0041, Rule 34.5	Current city law has few lobbying compensation exceptions, and their wording is vague and needs modernizing. Adds standard state lobbying exceptions, such as for service on city commissions, providing information to demonstrate compliance, and merely seeking information. Makes them clearer and, thus, less subject to possible abuse.
3. Removes city exception for "incidental" lobbying by employee lobbyists. (Current city law 4-8-2(2))	State law has no such exception. Tex. Gov. Code 305.001 et. seq.	Eliminates current city law "incidental lobbying exception" that is too vague to enforce, making city registration essentially voluntary. Follows state approach of higher threshold and clearer, narrower exceptions to remove de minimus lobbying.
<b>ADDITIONAL REPORTING AND DISCLOSURE</b>		
1. Requires reporting of lobbyists' compensation within ranges. (Proposal 4-8-6(A))	State law requires. Tex. Gov. Code 305.005(g)	Current city law doesn't require any reporting of lobbyist compensation. Proposal is adapted from state law, but has different compensation ranges because there are lower compensation amounts at the city level.
2. Requires electronic filing of lobbying reports. (Proposal 4-8-9(B))	State law requires. Tex. Gov. Code. 305.0064	Currently, city lobbyist reporting is on paper. This modernizes city lobby reporting to be filed electronically, as state has done for over 10 years. Similar to new city e-filing requirements for campaign reports.

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3. Business entities with multiple employee lobbyists may elect to file only one report for all its employees (Proposal 4-8-4).	State law does NOT have this convenience. Both the business entity AND individual must file. Tex. Gov. Code 305.005	This city provision makes it administratively easier for large firms to file registration and activity reports. Also, the fee is much less when entities file for all their employees.
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4. Requires city lobbyists to update new clients and subject matters within 10 business days of directly communicating to lobby. (Proposal 4-8-5(E))	State law requires updating within 5 days when legislature is in session. Tex. Gov. Code 305.0065	City is in session all year, unlike the state, so the proposal has a year-round requirement. City proposal allows 10 business days to update, while state law allows only 5 calendar days.
5. Requires lobbyist expenditures to be reported by categories when more than \$50 a day is spent in a specific category. (Proposal 4-8-6 (A)(3))	State law categories are very similar. Tex. Gov. Code 305.006(b)	Current city law has vague expenditure categories and the threshold is \$500; as a result, little is reported. State law threshold is based on a formula and is \$114. Best practice is more than \$50 for itemizing.
<b>OTHER DEFINITIONS AND LIMITATIONS</b>		
1. Lobbying a city official would now include any city employee, except solely clerical, who is involved in a municipal decision. (Proposal 4-8-2(1), 4-8-2 (8))	State law includes within the scope of lobbying ALL state employees. Tex. Gov. Code 305.002 (4), (7)	This proposal closes the city loophole that excludes from reporting those that seek to influence non-high level employees, even though these employees are being lobbied on municipal matters because they can affect these decisions.
2. Defines municipal matter for lobbying purposes to include appealable decisions only. These are defined as legislative and administrative matters that are capable of being appealed to the council or a commission. Excludes building and technical matters (i.e., electrical, plumbing, other safety specifications on a specific project) as well as non-appealable routine, day-to-day platting and permitting matters. (Proposal 4-8-2 (8))	The state lobbying law encompasses ALL decisions, appealable and non-appealable. However, in its actual implementation, state law has excluded some staff non-appealable decisions. Tex. Gov. Code 305.001(2),(6).	Proposed city provision includes within the scope of lobbying all appealable municipal decisions. Excludes non-appealable, routine day-to-day decisions by staff, including all building and technical matters. Excludes staff decisions that may not be appealed. Provides more definition than other city codes that make this distinction.
<b>ENFORCEMENT</b>		
Clarifies that municipal penalties are per knowing	State has stronger penalties, including a	Clearer city penalty provisions, including a minimum administrative late fee penalty, but

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<p>violation and up to \$500. (Proposal 4-8-14)). Has late administrative penalties of \$50 per late notice up to \$500 for those that continue not to file. (Proposal 4-8-11).</p>	<p>Class A misdemeanor for knowing violations, civil penalties up to 3 times the amount not disclosed, and late fees of \$500 up to \$10,000. (Tex. Gov. Code 305.031 - 05.033)</p>	<p>much smaller penalties than state law because of state law limits on allowed city penalties. City penalty is a Class C Misdemeanor (only a fine), and not a civil penalty, because state law appears not to allow civil penalties.</p>
<p>Provides a grace period for lobbyist filers who self-correct their reports within 14 business days after becoming aware of an error. (Does not apply if the filer became aware of the violation after a filed complaint or formal audit. (Proposal 4-8-11)</p>	<p>State law has a similar provision. Tex. Gov. Code. 305-033(f)</p>	<p>Encourages filers to correct their errors and self-comply. Helps prevent “gotchas”.</p>