

# FILING GUIDELINES FOR LOBBYING FIRMS

[Registration Form & Quarterly Disclosure Report]

## INTRODUCTION

Lobbying firms must register with the City Clerk within ten calendar days of qualifying as a “lobbying firm.” The City’s Lobbying Ordinance defines “lobbying firm” to mean “any entity that receives or becomes entitled to receive any amount of monetary or in-kind compensation to engage in lobbying activities on behalf of any other person, and that has had at least one direct communication with a City Official for the purpose of influencing a municipal decision.” In other words, a company or firm is a “lobbying firm” if it lobbies the City on behalf of another party, even if that party pays only \$1 for the services. A lobbying firm also includes any entity that engages in lobbying activities on behalf of another person pursuant to a contingency fee agreement.

To register as a lobbying firm, an entity must establish an electronic filing account with the City Clerk’s Office: <http://www.sandiego.gov/city-clerk/elections/lobby/lobbyist.shtml>. Contact the City Clerk’s Office at 619-533-4025 for assistance with the electronic filing system.

Each lobbying firm must electronically file a Registration Form [EC-601], and thereafter a Quarterly Disclosure Report [EC-603] no later than the last day of the month following each calendar quarter. All statements are filed online; there is no need to also file a paper copy of a lobbying statement.

The City Clerk’s electronic filing system contains instructions on how to complete a Registration Form and Quarterly Disclosure Report. The guidelines contained herein are intended to supplement those instructions and provide a greater understanding of the City’s disclosure requirements. If you have questions regarding the information required to be disclosed on a Registration Form or Quarterly Disclosure Report, please contact the Ethics Commission at 619-533-3476 or [ethicscommission@sandiego.gov](mailto:ethicscommission@sandiego.gov).

## REGISTRATION FORM

Lobbying firms file one Registration Form to cover the activities of the entire firm. Individual lobbyists do not register separately. All information relevant to an individual lobbyist should be contained within the firm’s Registration Form.

### Cover Sheet

Because the electronic filing system will automatically populate fields based on previous filings, make sure that all information displayed is current and correct. When filing an amendment, include details explaining what information is new, corrected, or deleted.

### Schedule A: Lobbyist Disclosure

Use this schedule to identify every owner, compensated officer, and employee in the firm who lobbied the City during the 30 calendar days prior to registration, as well as any such individual who the firm anticipates will engage in lobbying the City later in the year.

Including the name of prospective lobbyists on the Registration Form enables the firm to meet its disclosure obligations without having to amend the form each time another person in the firm starts lobbying the City. If an individual not identified on Schedule A starts lobbying City Officials, the firm will have to file an amendment within ten calendar days to report that individual as a lobbyist. When amending, in addition to identifying the individual as a lobbyist on Schedule A, make sure you report any fundraising activities, campaign contracts, and City contracts for that individual on Schedule C.

## **Schedule B: Client Disclosure**

Schedule B is used to disclose information regarding the clients for whom the firm has lobbied the City during the 30 calendar days prior to registration, as well as clients for whom the firm anticipates lobbying the City during the calendar year.

### ***Clients***

A “client” is defined as “any person who provides compensation to a lobbying firm for the purpose of influencing a municipal decision, and any person on whose behalf lobbying is performed by a lobbying firm.” Thus, the term “client” includes any the person who pays the firm to lobby, and also includes any person who does not pay the firm but who for whom the firm lobbies.

If a firm has met the registration threshold, i.e., it has earned \$1 or more for one or more lobbying contacts, it must disclose all of its clients, including its *pro bono* clients, for which it is lobbying the City.

A “client” also includes any person who retains a firm to engage in lobbying activities pursuant to a contingency agreement, even if the lobbying efforts are unsuccessful and no fees are received.

Describe the client in sufficient detail to inform the public of the nature and purpose of the client’s business, e.g., “building contractor” or “wireless telecommunications vendor.”

### ***Municipal Decisions***

Describe either (1) the specific municipal decisions for which the firm was retained (e.g., Living Wage Ordinance), or (2) the general types of municipal decisions for which the firm was retained (e.g., matters relating to City storm drain pollution). Also describe the outcome sought.

The descriptions you provide will be automatically entered into your firm’s Quarterly Disclosure Reports. If you provide general information regarding a municipal decision on your Registration Form, more specific information concerning that decision must be added to the applicable Quarterly Disclosure Report.

### ***Coalitions***

If a client is a coalition or membership organization, state the name, address, and telephone number of each individual member of the coalition who has paid, or agreed to pay, at least \$1,000 to the firm for lobbying activities performed on behalf of the coalition or organization with regard to a specific municipal decision.

For example, Bill is a restaurant owner who organizes Citizens for a Brighter Future, a coalition that supports a City Ordinance designed to reduce crime in the Gaslamp Quarter by increasing the number of streetlights. Bill convinces a dozen other restaurant owners to join the coalition, and he takes up a collection to hire a lobbyist. Most of the owners contribute between \$100 and \$500 to retain the lobbyist. Bill contributes \$5,000. When the lobbying firm reports its clients, it will disclose that its client is Citizens for a Brighter Future, and will also identify Bill, whose payment for the firm’s lobbying services exceeds the \$1,000 reporting threshold.

If a coalition member does not meet the \$1,000 threshold when the Registration Form is filed, but later makes, or agrees to make, a payment that would cause the member to reach that threshold, the firm must file an amendment to the form to disclose the identity of that member.

## *Amendments*

Schedule B must be amended within ten calendar days if the firm starts lobbying: (1) for a new client or (2) on a new municipal decision for a client that is already registered.

## **Schedule C: Activities Disclosure**

Schedule C contains three parts, all seeking information relating to activities of the firm's owners, compensated officers, and lobbyists during the previous two years. The two year period is based on when the firm registers, except that when filing an amendment to add a new owner, compensated officer, or lobbyist the two year period for the added person is based on the date of the amendment. Note that the term "officer" includes a chief executive officer, chief financial officer, president, and similar positions that bestow a considerable amount of control or influence over the activities of the firm. A position commonly associated with "officer" status, such as a vice president, will be treated as an "officer" under the Lobbying Ordinance unless the position is officially excluded from "officer" status by way of the firm's bylaws, SEC filings, or other official documentation.

### *Fundraising Activities*

Identify each owner, compensated officer, and lobbyist in the firm who engaged in "fundraising activities" for a current elected City Official within the past two years, along with the name of the applicable City Official. Do not report fundraising activities for a candidate who lost or withdrew from the election.

For purposes of Schedule C, "fundraising activity" means soliciting, or directing others to solicit, campaign contributions from one or more contributors, either personally or by hosting or sponsoring a fundraising event, and either:

- (1) personally delivering \$2,000 or more in contributions to a candidate, a candidate's controlled committee, or a committee primarily formed to support a candidate, or
- (2) taking credit for the contribution by either personally delivering \$2,000 or more in contributions to a candidate committee, or identifying yourself to a candidate committee as having any degree of responsibility for it receiving \$2,000 or more in contributions as a result of that solicitation.

For purposes of the above rules, a "candidate committee" means any of the following:

- a City candidate's election campaign committee;
- a City candidate's controlled ballot measure committee;
- a City candidate's professional expense committee (i.e., legal defense committee); or,
- an independent political committee primarily formed to support or oppose one or more City candidates

Soliciting contributions can involve more than just sending letters asking for donations. Soliciting contributions also means hosting, co-hosting, or sponsoring a campaign event, and includes the following activities, even if you are only one member of a host committee for an event:

- providing your home or office for a fundraising event (without charging market value);
- providing goods or services at a fundraising event (without charging market value);
- inviting people to attend a fundraising event; and,
- giving a list of prospective invitees or contributors to the candidate or committee.

Hosting a campaign event does not include solely supplying your name to be used on the invitation to an event. This is commonly referred to as an “honorary host.”

When determining whether or not someone has reached the \$2,000 threshold, keep in mind that the amount of contributions attributable to an individual is the total amount raised, even if that individual was one of several persons involved in a fundraising effort. Do not divide the total amount raised by the number of persons involved in the fundraising activities.

Refer to the Ethics Commission’s Fact Sheet on Disclosure of Fundraising Activities for additional information: <http://www.sandiego.gov/ethics/pdf/sheets/lobbyfundraising.pdf>

### ***Campaign Services***

Identify each owner, compensated officer, and lobbyist in the firm who received compensation (including a “win bonus”) to provide campaign-related services, such as serving as a consultant or treasurer, to a current elected City Official within the past two years, along with the name of the applicable City Official.

Do not report volunteer services provided to a campaign.

Do not report services provided to a candidate who lost or withdrew from the election (unless the candidate is still holding elective City office, e.g., a Councilmember who ran unsuccessfully for state office).

### ***Contract Services***

Identify each owner, compensated officer, and lobbyist in the firm who received compensation to provide services to a City department, agency, or board within the past two years, along with the name of the applicable City department, agency, or board.

Disclose City employee, City consultant, and City independent contractor contracts. Do not, however, report volunteer services, such as serving on a City board, commission, or committee.

### **Schedule D: Deleting Clients & Lobbyists (Amendments Only)**

File an amendment using this schedule to delete former clients and former lobbyists from the current year’s registration. Use this schedule if the firm is no longer lobbying for such clients and doesn’t anticipate doing so later in the year. Also use this schedule to remove lobbyists who will no longer be lobbying for the firm.

You are not required to remove a client or lobbyist from a registration form. (If you cease lobbying on behalf of a particular client, you can complete Schedule A-2 on the firm’s quarterly reports to indicate that no lobbying on behalf of this client took place during the reporting period.) If you delete a client and the firm lobbies on behalf of that client later in the year, you will have to file another amendment to the Registration Form and pay another registration fee for re-registering that client. Similarly, if you delete a lobbyist and that individual lobbies the City for your firm later in the year, you will have to file another amendment to the Registration Form and pay another fee for re-registering that lobbyist.

Do not use Schedule D when filing the firm’s initial registration for the year. If using the online system to copy a previous year’s Registration Form for use in a new registration, remove any former clients or former lobbyists from Schedule A or B instead.

## QUARTERLY DISCLOSURE REPORT

Lobbying firms must file a Quarterly Disclosure Report to cover the activities of the entire firm during the quarter. Individual lobbyists do not file separate reports. All information relevant to an individual lobbyist should be contained within the firm's report.

### Cover Sheet

Because the electronic filing system will automatically populate fields based on previous filings, make sure that all information displayed is current and correct. When filing an amendment, include details explaining what information is new, corrected, or deleted.

### Schedules A-1 and A-2

Each client registered by the firm must appear on either Schedule A-1 or Schedule A-2.

#### Schedule A-1: Client Disclosure (Lobbying Contacts)

Complete a Schedule A-1 for each registered client for whom the firm had at least one lobbying contact during the reporting period. If the firm lobbied on multiple decisions during the period, complete a separate entry for each decision.

When identifying the total compensation earned by the firm, follow these guidelines:

- (1) Include all amounts earned (to the nearest \$1,000) for lobbying activities performed during the period, including amounts the firm became entitled to receive pursuant to a contingency fee agreement.
- (2) Include all amounts earned during the reporting period for lobbying activities performed on a contingency basis during a prior reporting period.
- (3) If you are reporting multiple municipal decisions for the same client, enter the compensation amount only once; you may leave the compensation field blank when reporting other decisions.
- (4) Enter "zero" if the client is a *pro bono* client.
- (5) Check the "contingency" box if the firm lobbied on a contingency basis during the reporting period, but hasn't yet become entitled to receive the contingent amount from the client.
- (6) Keep in mind that "lobbying activities" includes more than just lobbying. It also includes researching, monitoring, and other activities related to lobbying. Disclose the compensation earned for all "lobbying activities" during the reporting period.
- (7) Do not include compensation the firm received solely for "indirect" lobbying efforts, such as public relations and advertising. Such sums, if \$5,000 or more in a calendar quarter, should be reported by the client as an "expenditure lobbyist." Consult the Lobbying Manual or the Ethics Commission's website for information regarding expenditure lobbyists.

When describing a municipal decision, be specific. Vague or general descriptions, such as "land use matter" or "property development" are not acceptable. The descriptions you provided on your Registration Form will be automatically entered into your firm's Quarterly Disclosure Reports. Therefore, if you provided general information regarding a municipal decision on your Registration Form, additional specific information concerning that decision must be added to the applicable Quarterly Disclosure Report. Supplement the information in the "Outcome Sought" field if necessary to accurately reflect the client's goals with respect to the specific municipal decision.

If you discover that a person who lobbied on the decision was not previously identified on the firm's Registration Form, you must amend the form immediately (all lobbyists are required to be listed either on the firm's initial Registration Form or on an amended Registration Form filed within 10 calendar days of lobbying).

When identifying City Officials who were lobbied during the reporting period, you are only required to disclose contacts with specified officers and employees of the City and City agencies. Refer to the Ethics Commission website for lists of "City Officials": [www.sandiego.gov/ethics/documents/lobbyists.shtml](http://www.sandiego.gov/ethics/documents/lobbyists.shtml). Note that these lists are updated only periodically and may not contain the names of everyone who is currently a "City Official" under the Lobbying Ordinance.

### **Schedule A-2: Client Disclosure (No Lobbying Contacts)**

Complete a Schedule A-2 entry for each registered client for whom the firm had no lobbying contacts during the reporting period.

If the firm became entitled to a contingency payment during the reporting period for lobbying performed in a previous reporting period, disclose the compensation earned; otherwise state "zero" or "\$0."

### **Schedule B: Activity Expenses**

Complete this schedule if the firm or its lobbyists made activity expenses during the reporting period.

An "activity expense" means any payment made to, or on behalf of, any City Official or any member of a City Official's immediate family, by a lobbying firm, or any of its lobbyists. Activity expenses include gifts, meals, consulting fees, salaries, and any other form of compensation to a City Official or a City Official's immediate family, but do not include campaign contributions. For example, a \$3,000 consulting fee paid to a Department Director's spouse would be considered a reportable activity expense. If a lobbying firm hires a City Official or a member of his or her immediate family, disclose the approximate total amount of compensation provided to, or on behalf of, that individual during the reporting period, including bonuses and benefits.

City law limits gifts (e.g., meals, tickets to events) from lobbying firms and their lobbyists to an aggregate total of \$10 per City Official within a calendar month. This means, for example, that if a lobbyist in your firm purchases an \$8 sandwich for a particular City Official, neither the firm nor any of its lobbyists may purchase a \$3 beverage for that official in the same calendar month. Because the Activity Expenses schedule requires only the reporting of activity expenses that exceed \$10, your firm should have no gifts to report.

Tickets and invitations to events held for non-profit entities (e.g., the Chamber of Commerce, Father Joe's Villages) are not considered "gifts" for purposes of the Lobbying Ordinance. Accordingly, they are not subject to the \$10 limit and need not be reported on the Quarterly Report Form. Note, however, that such tickets and invitations may be considered "gifts" under the City's Ethics Ordinance and could subject the recipient to that Ordinance's gift limits, reporting requirements, and disqualification rules.

### **Schedule C: Campaign Disclosures – City Candidates**

Complete this schedule if one or more of the firm's owners, compensated officers, or lobbyists made contributions totaling \$100 or more during the reporting period to a City candidate's committee or to a committee primarily formed to support or oppose a City candidate. Also fill out Schedule C if the firm itself (or any political committee or "PAC" sponsored by the firm) made contributions totaling \$100 or more during the reporting period to a committee primarily formed to support or oppose a City candidate. Finally, also use Schedule C to report any contributions of \$100 or more made to a candidate's or elected official's professional expense committee (i.e., legal defense committee) during the quarter.

For example, Jane is a partner in a lobbying firm. In October, she writes a personal check for \$250 and gives it to a candidate seeking office in an upcoming City election. Later that month, Jane's firm writes a \$5,000 check to a committee primarily formed to support a different City candidate. When the lobbying firm prepares its October-December disclosure report, it must identify the \$250 and \$5,000 contributions on Schedule C.

Note that elected City Officials (the Mayor, City Councilmembers, and the City Attorney) are considered "candidates" for as long as they remain in office.

For example, after Councilmember Lopez is sworn into office, she sends out mailers soliciting contributions to retire her campaign debt. Richard, one of the firm's lobbyists, sends a personal check for \$300 to Councilmember Lopez' committee. Even though the Councilmember is now an officeholder, she is also still a "candidate," and Richard's firm must disclose the \$300 contribution on its next quarterly disclosure report.

The term "candidate" also includes an elected City official running for office in a different jurisdiction. For example, a City Councilmember running for State Assembly is a "candidate" for purposes of these disclosure rules, and any contributions of \$100 or more to the Councilmember's Assembly campaign must be disclosed.

Only contributions from the same source with an aggregate total of \$100 or more made during the quarter must be disclosed. For example, a lobbyist who made a \$75 contribution to a committee does not need to disclose that contribution on Schedule C unless he or she made another contribution of \$25 or more to the same committee in the same quarter (in which case both the \$75 and \$25 contributions would be disclosed separately on Schedule C).

Do not use Schedule C to report contributions made to support a candidate-controlled ballot measure committee; use Schedule D instead.

Keep in mind that contributions made directly to a candidate are reportable, as are contributions to a committee that makes campaign expenditures independent of the candidate (i.e., a primarily formed recipient committee). When completing Schedule C, therefore, identify the full name of the committee to which the contribution was made, not just the name of the candidate.

Contributions made to oppose a candidate are also reportable. If, for example, a lobbyist contributes \$200 to a committee entitled "Vote No on Smithers for City Council in 2016," the firm must report that contribution on Schedule C.

The term "contribution" includes non-monetary, or "in-kind" payments. For example, a lobbyist who provides a candidate's committee with \$100 worth of office supplies has made a contribution that must be reported on Schedule C.

#### **Schedule D: Campaign Disclosures – Candidate Controlled Ballot Measure Committees**

Complete this schedule if the firm or any of its owners, compensated officers, or lobbyists made contributions totaling \$100 or more during the reporting period to a City ballot measure committee controlled by a City candidate. As indicated above, elected City Officials are considered "candidates" under campaign laws for as long as they remain in office.

It is not difficult to determine if a candidate "controls" a ballot measure committee. Under the City's campaign laws, when a candidate "controls" a committee, that candidate's name must appear in the committee's name and on all of the committee's campaign literature, including its door hangers, mailers, and yard signs.

Only contributions from a single source with an aggregate total of \$100 or more made during the quarter must be disclosed. A lobbyist who made a \$75 contribution to a candidate-controlled committee does not need to disclose that contribution on Schedule D unless he or she made another contribution of \$25 or more to the committee in the same quarter (in which case both the \$75 and \$25 contributions would be disclosed separately on Schedule D).

For example, Oscar is one of the firm's lobbyists. In August, he writes a personal check for \$500 to support a City ballot measure that would increase in the City's transient occupancy tax. He gives the check to a ballot measure committee controlled by Councilmember Jones. That same month, Oscar's firm writes a check for \$3,000 and gives it to a committee that supports the same ballot measure but is not controlled by a candidate. When the firm prepares its July-September disclosure report, it must identify Oscar's \$500 contribution. The \$3,000 contribution made by Oscar's firm does not need to be disclosed because its contribution went to a committee that was not controlled by a candidate.

### **Schedule E: Fundraising Activities**

Complete this schedule if one or more of the firm's owners, compensated officers, or lobbyists engaged in "fundraising activities" with an aggregate total of \$2,000 or more during the reporting period to support or oppose a candidate for City office or for a ballot measure committee controlled by a candidate.

For purposes of Schedule E, "fundraising activity" means soliciting, or directing others to solicit, campaign contributions from one or more contributors, either personally or by hosting or sponsoring a fundraising event, and either:

- (1) personally delivering \$2,000 or more in contributions to a candidate, a candidate's controlled committee, or a committee primarily formed to support a candidate, or
- (2) taking credit for the contribution by either personally delivering \$2,000 or more in contributions to a candidate committee, or identifying yourself to a candidate committee as having any degree of responsibility for it receiving \$2,000 or more in contributions as a result of that solicitation.

For purposes of the above rules, a "candidate committee" means any of the following:

- a City candidate's election campaign committee;
- a City candidate's controlled ballot measure committee;
- a City candidate's professional expense committee (i.e., legal defense committee); or,
- an independent political committee primarily formed to support or oppose one or more City candidates

Soliciting contributions can involve more than just sending letters asking for donations. Soliciting contributions also means hosting, co-hosting, or sponsoring a campaign event, and includes the following activities, even if you are only one member of a host committee for an event:

- providing your home or office for a fundraising event (without charging market value);
- providing goods or services at a fundraising event (without charging market value);
- inviting people to attend a fundraising event; and,
- giving a list of prospective invitees or contributors to the candidate or committee.



Hosting a campaign event does not include solely supplying your name to be used on the invitation to an event. This is commonly referred to as an “honorary host.”

When determining whether or not someone has reached the \$2,000 threshold, keep in mind that the amount of contributions attributable to an individual is the total amount raised, even if that individual was one of several persons involved in a fundraising effort. Do not divide the total amount raised by the number of persons involved in the fundraising activities.

For example, Mary is a partner in a firm that employs two lobbyists, John and Bill. Candidate Smith asks Mary, John, and Bill to help raise money for his campaign. Candidate Smith gives each of them a stack of remittance envelopes and asks them to help raise money for his campaign. Mary hosts a fundraiser at her house, collects \$5,500 in contribution checks, and delivers them to Candidate Smith. John writes his name on a corner of each envelope and mails them to a dozen of his associates, asking them to place a contribution in the envelope and send it to the candidate. John later finds out (through his associates or the candidate) that those associates contributed a total of \$2,000 to Candidate Smith. Bill calls ten of his friends and encourages them to go to Mary’s fundraiser. He takes no further action.

When the firm prepares its quarterly disclosure report, it must identify Mary’s and John’s fundraising activities. Both solicited campaign contributions, and both made sure the candidate knew they were responsible for more than \$2,000 in contributions. Bill’s fundraising activities do not need to be disclosed, even though he solicited his friends on behalf of Candidate Smith; he never obtained any credit for contributions that might have resulted from his solicitations.

Fundraising directly for a candidate is reportable, as is fundraising for a committee that makes campaign expenditures independent of the candidate (i.e., a primarily formed recipient committee). When completing Schedule E, therefore, identify the full name of the committee for which an individual engaged in fundraising activities, not just the name of the candidate. If you are not sure of the full name of a committee, you can search or browse for committee names in the City Clerk’s electronic filing system (<http://nf4.netfile.com/pub2/Default.aspx?aid=CSD>).

Keep in mind that fundraising to oppose a candidate is also reportable. If, for example, a lobbyist hosts a fundraiser for a committee entitled “Vote No on Smithers for City Council in 2016,” the firm must report that fundraising activity on Schedule E (assuming that the \$2,000 threshold was reached).

Refer to the Ethics Commission’s Fact Sheet on Disclosure of Fundraising Activities for additional information: <http://www.sandiego.gov/ethics/pdf/sheets/lobbyfundraising.pdf>

## **Schedule F: Campaign Services**

Complete this schedule if one or more of the firm’s owners, compensated officers, or lobbyists provided compensated campaign services (e.g., consulting services) to a City candidate during the reporting period. Include campaign services that are provided pursuant to a contingency fee agreement, such as a “win bonus.” Reportable services include those that are related to the candidate seeking office or to a ballot measure committee controlled by the candidate. The services must be performed in exchange for a salary, bonus, or some other form of economic consideration. Do not disclose volunteer work performed for a candidate.

For example, Tim is a professional campaign consultant. During non-election years, he works for clients who pay him to lobby City officials. Accordingly, he registers as a lobbying firm. In November, he starts working on a campaign for a Councilmember seeking re-election the following year. When he prepares his firm’s October-December disclosure report, he must disclose his campaign activities, including the name of the candidate and the office that candidate

is seeking, the approximate amount of compensation he earned during the reporting period, and a description of the campaign services he provided during the reporting period.

Another example: Aidan is a lobbyist who worked on a Mayoral candidate's campaign under an agreement that he would volunteer his services, but be entitled to a "win bonus" in the amount of \$2,500 if the candidate won the election. The candidate won the election in November and paid Aidan the \$2,500 in January of the following year. When completing its fourth quarter report, the firm will report the \$2,500 that Aidan earned in the quarter, even though the actual payment wasn't made until the first quarter of the following year. The firm will not report the payment on its first quarter report for the following year.

If the individual identified has not yet earned any compensation, but could be entitled to a contingency-based form of compensation in the future (e.g., a "win bonus"), check the "contingency" box.

The term "candidate" includes an elected City official running for office in a different jurisdiction. For example, a City Councilmember running for State Assembly is a "candidate" for purposes of these disclosure rules.

### **Schedule G: City Contract Services**

Complete this schedule if one or more of the firm's owners, compensated officers, or lobbyists provided compensated services during the reporting period under a City contract either as an employee, consultant, or independent contractor. If, for example, one of the firm's partners was hired by the Mayor's office to provide consulting services in connection with outsourcing a City function, then the firm must report these consulting services.

Note that "City" includes all of the City's departments, agencies (such as Civic San Diego and the Housing Commission), boards, and commissions.

For example, Malcolm is a lobbyist in a lobbying firm, and he specializes in environmental matters. Because of his expertise, the City's Environmental Services Department retains him as a consultant to evaluate the impact of a proposed hazardous waste program. Malcolm starts and completes the contract in March. He submits a bill for \$2,500 and he's paid in April. When his firm prepares its January-March quarterly disclosure report, it must report that (1) Malcolm provided services to the City; (2) the services were provided to the Environmental Services Department; (3) Malcolm earned \$2,500 for the services he provided; and (4) Malcolm's work involved evaluating the environmental impact of a proposed hazardous waste program. Note: when the firm prepares its April-June quarterly disclosure report, it need not disclose this consulting contract even though the payment was received in April (because the payment was "earned" and reported in the prior quarter).

2/1/16