Your Community Impact Statement has been successfully submitted to City Council and Committees.

If you have questions and/or concerns, please contact the Department of Neighborhood Empowerment at <u>NCSupport@lacity.org</u>.

This is an automated response, please do not reply to this email.

Contact Information Neighborhood Council: Eagle Rock Neighborhood Council Name: Richard Loew Phone Number: Email: richard.loew@ernc.la The Board approved this CIS by a vote of: Yea(12) Nay(0) Abstain(0) Ineligible(0) Recusal(0) Date of NC Board Action: 08/02/2022 Type of NC Board Action: For

Impact Information Date: 09/13/2022 Update to a Previous Input: No Directed To: City Council and Committees Council File Number: 22-0560 Agenda Date: Item Number: Summary: The Eagle Rock Neighborhood C

Summary: The Eagle Rock Neighborhood Council supports the changes to the municipal lobbying ordinance (MLO) regarding neighborhood councils. We also request the consideration of changes to a few minor areas of the draft MLO that we believe will benefit transparency in the city. We urge Committee Chair Nury Martinez to schedule this Council File for consideration and a vote in the Rules, Elections, and Intergovermental Relations Committee.

EAGLE ROCK NEIGHBORHOOD COUNCIL

Executive Committee

Richard Loew, President Michael Sweeney, Vice President Laura Gonzalez, Treasurer Vacant, Communications CJ Savage, Secretary Jesse Saucedo, Immediate Past President





P.O. Box 41652 Los Angeles, CA 90041

> <u>www.ernc.la</u> info@ernc.la

LETTER IN SUPPORT OF COUNCIL FILE 22-0560 (Municipal Lobbying Ordinance/Updates)

August 2, 2022

Los Angeles City Council 200 N. Spring Street Los Angeles, CA 90012

Dear City Council Members,

We declare that on August 2, 2022, a Brown Act noticed public meeting was held by the Eagle Rock Neighborhood Council (ERNC) at which a quorum was present. The following motion passed unanimously:

The Eagle Rock Neighborhood Council supports the changes to the municipal lobbying ordinance (MLO) regarding neighborhood councils. We also request the consideration of changes to a few minor areas of the draft MLO that we believe will benefit transparency in the city. We urge Committee Chair Nury Martinez to schedule this Council File for consideration and a vote in the Rules, Elections, and Intergovermental Relations Committee.

Under section 48.08.8 of the <u>current lobbying ordinance</u>, a lobbyist disclosure is only required for written communications to neighborhood councils. We believe the ordinance should be updated to include the same disclosure when a lobbyist makes an oral presentation or public comment to a neighborhood council that is related to their lobbying efforts. Therefore, we strongly agree with section 48.11 of the <u>draft</u> <u>municipal lobbying ordinance</u> proposed by the Los Angeles City Ethics Commission and currently under consideration.

At this time, neighborhood councils continue to meet virtually due to COVID 19 and it is widely expected that this will continue in at least some form when neighborhood councils begin meeting in person. Under AB 361, we are prohibited from requiring "speaker cards," which is where traditionally lobbying disclosures where made to our council. Moreover, virtual meetings and virtual participation by constituents does not facilitate the identification of speakers, nor provide a ready means by which provide lobbyist information.

We believe the lack of oral lobbyist disclosure requirement leaves many neighborhood council board members at an information disadvantage and that it should be addressed for the following reasons:

1) **Transparency.** We believe every voting member at a board meeting has the right to the knowledge if a lobbyist is speaking on an item for which they are compensated to lobby.

2) **Diffusion of responsibility.** A lobbyist may send a correct written disclosure either via mail or email, but often these communications do not go to every member of the board. Unless the board member is diligent in passing along these communications, then it is possible there would be other members of the board who do not know of the lobbyist status of the individual speaking.

3) **Lack of training.** We do not receive training on identifying or looking up lobbyist activities in the city through the Department of Neighborhood Empowerment. We believe the legal onus should be on the lobbyist to be as upfront and straightforward with the board as possible. Additionally, the responsibility is then on the paid lobbyist rather than the volunteer board member when it comes to the pursuit of this information.

In addition, the Eagle Rock Neighborhood Council would like to request a similar lobbying disclosure for city council and committee meetings. This announcement could either be done by the lobbyist or by the presiding officer of the meeting in order to ensure that the public is fully aware of the associations of all speakers who are paid lobbyists. Neighborhood council members frequently listen to city council meetings or recordings of the meetings and we strongly feel that this minor addition would bring greater transparency to the City processes. We urge the City Council to adopt this minor change.

Lastly, the Eagle Rock Neighborhood Council urges the City Council to adopt a nonprofit exemption of \$200,000 in revenue or \$500,000 in assets instead of the proposed \$2,000,000. This change aligns with the IRS tax filing system and would essentially allow any nonprofit that files a 990-N or 990-EZ to gain exemption. This change also reflects the current <u>San Francisco ethics ordinance</u>. The current recommendation of \$2 million in revenue is far too high and would exempt the vast majority of nonprofits in Southern California. Only 16% of Southern California nonprofits have revenues above \$1 million, so an exemption set at twice that amount would provide very little transparency.

Please place this letter in the case file, and acknowledge its receipt via email to: **executive@ernc.la**. Thank you.

Respectfully,

Richard M. Loew President, Eagle Rock Neighborhood Council

cc: Office of Councilmember Kevin de León