

HOUSE BILL REPORT

HB 2289

As Reported By House Committee On:

Government Operations

Title: An act relating to restricting lobbying activities by taxpayer-supported entities.

Brief Description: Prohibiting lobbying activities by representatives of taxpayer-supported agencies or units of government.

Sponsors: Representatives Foreman, Crouse, Backlund, Goldsmith, L. Thomas, Elliot, Mulliken, McMahan, Johnson, Thompson, Hargrove, Carrell, Lisk and Boldt.

Brief History:

Committee Activity:

Government Operations: 1/17/96, 1/23/96 [DPS].

HOUSE COMMITTEE ON GOVERNMENT OPERATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Reams, Chairman; Cairnes, Vice Chairman; Goldsmith, Vice Chairman; Hargrove; Honeyford; Hymes; Mulliken and D. Schmidt.

Minority Report: Do not pass. Signed by 5 members: Representatives Rust, Ranking Minority Member; Scott, Assistant Ranking Minority Member; Conway; R. Fisher and Wolfe.

Staff: Steve Lundin (786-7127).

Background: The Public Disclosure Act requires certain persons to register as lobbyists and to file periodic reports of their activities to influence the passage or defeat of any matter before the state Legislature or the adoption or rejection of any rule, standard, or rate before any state agency under the Administrative Procedures Act. In addition, certain groups are required to register as grass roots lobbying campaigns and to file periodic reports of their activities.

Among others, the following persons are exempt from registering and filing periodic reports of their lobbying activities under the Public Disclosure Act:

- o Persons who limit their activities to appearing before public sessions of legislative committees or public hearings of state agencies.
- o Persons who lobby without compensation or consideration, if no expenditures are made for or on the behalf of legislators, elected officials, or public officers or employees.
- o Persons who restrict their lobbying to no more than four days during any three-month period and whose total expenditures for or on behalf of legislators, state-elected officials, or public officers or employees does not exceed \$25.

The Public Disclosure Act requires state agencies and local governments to make quarterly reports of their lobbying activities. Public employees or officials who restrict their lobbying to no more than four days in any three-month period, and elected officials who do "in-person lobbying," are not required to report these activities under the Public Disclosure Act if the total expenditures of "nonpublic funds" for any lobbying purpose does not exceed \$15 during a three-month period.

The Public Disclosure Act prohibits the direct or indirect use of public funds for lobbying purposes. However, officers and employees may communicate with a legislator on the request of that legislator and, through proper channels, may communicate requests for legislative action or appropriations necessary for the efficient conduct of public business or in the proper performance of their official duties.

Summary of Substitute Bill: A variety of new provisions are included in this legislation relating to lobbying the Legislature, but existing provisions in the Public Disclosure Act are not amended.

The Legislature affirms that it is given the sole constitutional duty to establish public policy by enacting state law and that the executive branch of state government is vested with executive authority to see that the laws enacted by the Legislature are faithfully executed. The Legislature finds that lobbying activities at public expense to influence the public decision making process in the Legislature should be restricted and that this restriction will reduce the cost of maintaining efficient government and restore representative government to the people.

1. Limitation of lobbying.

Representatives of state agencies and units of local government are limited in lobbying the Legislature as follows:

- o Employees of a unit of local government and persons under contract to represent a unit of local government, may not lobby the Legislature except as private citizens

outside of their working hours. This restriction applies to associations that receive dues from units of local government.

- o Any local elected official may lobby the Legislature.
- o Employees of a state agency and persons under contract with a state agency may not lobby the Legislature, except as private citizens outside of their working hours.
- o Any statewide elected official, and one designated employee of a statewide elected official who is employed in the office of the state-wide elected official, may lobby the Legislature.

Lobbying the Legislature is defined to include oral or written communication to members of the Legislature or legislative staff advocating or opposing any state legislation or other legislative proposal. However, lobbying the Legislature does not include providing factual information to members of the Legislature or legislative staff in response to specific requests made by members of the Legislature or legislative staff.

The term "unit of local government" is defined to include every unit of local government, including counties, cities, school districts, and irrigation districts.

The term "state agency" is defined to include every entity of state government that is audited by the state auditor, including a state office, department, or other state agency.

2. Reporting.

Each unit of local government and state agency is required to report its annual expenditures on lobbying the Legislature to the Office of Financial Management.

3. Civil infraction.

A representative of a state agency or unit of local government who authorizes, directs, or participates in lobbying the Legislature in violation of these restrictions is guilty of a civil infraction, punishable by a fine of not more than \$1,000.

Substitute Bill Compared to Original Bill: It is clarified that the bill applies only to state agencies and units of local government, including associations of local governments receiving dues from local governments. Lobbying by representatives of state agencies and units of local government on their off hours is allowed. The civil fine for a violation is changed to a civil infraction, and the maximum punishment is reduced from \$10,000 to \$1,000.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: A recent study shows that in Washington State, the percentage of total products consumed by state and local government expenditures is higher than average in other states. Last year 441 state and local government lobbyists were on file with the PDC, and they spent \$2.4 million. This is too many. Public sector lobbyists keep asking for more and more. They can overwhelm private sector lobbyists. This bill puts a limit on tax-supported lobbyists. The Governor will provide centralized lobbying for most state agencies. Legislators can request added information from agency personnel.

Testimony Against: If only elected officials can lobby local government costs will rise. Having a few people lobby for all counties saves money. Counties are essential partners in governing and provide invaluable input on criminal justice matters. Do you have time to see a hoard of local elected officials? We oppose the possible inclusion of nonprofit agencies. It is more beneficial for one entity to speak for all sheriffs than each individual sheriff. What about the small units of government? This will allow the big money interests to control.

Testified: Representative Foreman, prime sponsor; Doreen Marchione, Washington State Association of Community Action Agencies; Doug DeForest, Olympia Thurston County Chamber of Commerce; Paul Telford, United We Stand; Gary Lowe, Washington State Association of Counties; Seth Dawsen, Community Ground for Children; Dale Brandland, Whatcom County Sheriff; Mike Ryherd; and Mayor Leonard Sanderson, city of Milton.