



CITY OF
PORTLAND, OREGON

Commissioner Nick Fish

Ethics Reform FAQ
New Reporting Requirements for Political Consultants

The City of Portland is committed to open, transparent and accountable government. The public has a right to know who is influencing important public policy decisions at the City.

Current City Code defines the role of registered lobbyists and establishes reporting requirements for lobbyists and City elected officials to capture their interactions. However, Political Consultants are not defined as a class and they are not subject to any disclosure requirement.

Working with the elected City Auditor, the City of Portland Elections Officer, and public interest organizations, Commissioner Fish has developed an ordinance requiring the registration and reporting of Political Consultants, borrowing from the San Francisco model described below. This proposal is right-sized for Portland, building on the structure currently in place for lobbyists and keeping administrative costs to a minimum.

What will this proposal do?

- This ordinance proposes to regulate political consultants by establishing new Portland City Code 2.14. The proposal would require disclosure of Political Consultants' relationships with City elected officials and successful candidates for elected City office.

What is a Political Consultant?

- A Political Consultant is a person or entity providing political consulting services to City elected officials or successful candidates in a City election. Services rendered by a Political Consultant may include, but are not limited to, advising in media strategy, analyzing polls and surveys, performing issues research, and shaping voter contact strategies.

Does the State of Oregon regulate Political Consultants?

- Oregon does not directly regulate Political Consultants. The relationship between a Political Consultant and an elected official or successful candidate for elected office is not necessarily disclosed under State reporting requirements. Through the Secretary of State's office, Oregon requires political campaigns to report financial contributions and expenditures through an online database called ORESTAR. Campaign payments to a political consultant are recorded as expenditures (or in-kind contributions) through ORESTAR.
- However, there is an exception to this disclosure requirement. If a consultant is providing services "for which no compensation is asked or given" a campaign is not required to disclose the relationship.
- A Political Consultant's privileged access to an elected official or candidate for office exists because of the nature of their relationship, regardless of compensation. This ordinance proposes to close that gap by connecting disclosure to activity, not compensation.

Why is Portland proposing to regulate these legal activities?

- Increased transparency in decision-making serves the public interest. Political Consultants have privileged, confidential access to City elected officials. In some cases, Political Consultants also act as registered lobbyists. Potential or actual conflicts of interest may arise when Political Consultants represent both the "buyer" and the "seller" in the same transaction.

Do other cities require registration of Political Consultants?

- Yes. San Francisco is the national leader. They use the term “Campaign Consultant” and have adopted a comprehensive set of regulations, including a significant ongoing investment in compliance and enforcement.

The City of San Francisco prohibits “Campaign Consultants” from lobbying a City elected official for 60 months after their consultant status ends. Why isn’t Portland proposing to do that?

- At this time, we are not proposing to prohibit Political Consultants from serving as lobbyists and consultants at the same time, nor are we proposing a prohibition on lobbying after Consultant status ends. While this “blurring of the lines” can have negative consequences on accountability and transparency, the free speech provisions of the State of Oregon Constitution are very broad, and may limit our ability to regulate political behavior.

Who helped to develop this proposal?

- Commissioner Fish worked with the elected City Auditor and the City Elections Officer. This proposal builds on the structure currently in place for lobbyists and keeps administrative costs to a minimum.
- A variety of independent public interest groups were also consulted about this proposal. They include Common Cause Oregon, the Oregon League of Women Voters, American Civil Liberties Union (ACLU) of Oregon, Represent Us, and Portland Alliance for Democracy.

Who will enforce the new regulations?

- The City’s independent, elected Auditor is charged with creating the administrative procedures to regulate Political Consultants and enforcing the new rules. These new requirements will take effect September 1, 2016.

What is the cost of the new regulations?

- The new reporting requirement largely mirrors the City's existing regulation of lobbyists, and implementing the proposed new Code is primarily a question of technological capacity. Additional staff time needed to administer the Code is unclear but not expected to be significant. We anticipate the cost will be less than \$10,000.