

The Neighborhood Council Budget Advocates support the changes to the municipal lobbying ordinance (MLO) in Council File 22-0560. We urge Council President Martinez to agendize this motion in the Rules, Elections, and Intergovernmental Relations committee for a full and fair hearing. Our organization is charged with bringing transparency to the City Budget Process. The proposed changes close a number of loopholes that have allowed lobbyists to avoid registration and thus documentation of their work. We are particularly grateful for the movement to a payment model instead of an hours model for defining lobbying activity.

Lobbying plays a significant role in the allocation of money throughout the City. Over \$740 million has been paid for lobbying according to the City Ethics Commission. The NCBA believe that the proposed changes to the municipal lobbying ordinance will allow the public greater access and ability to follow the money using the tools provided by the Ethic Commission.

The NCBA supports the change requiring oral lobbying disclosure to neighborhood councils as we believe this change will dramatically benefit the neighborhood council members we are charged to represent. We also believe that an oral lobbying disclosure should be required at all City Council and Commission meetings. This disclosure is in keeping with the requirements of other local municipalities such as Beverly Hills and Long Beach.

Lastly, the NCBA urge the City Council to adopt a non profit 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 non profit that files a 990-N or 990-EZ to gain exemption. This change also reflects the current San Francisco ethics ordinance. 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 non profits have revenues above \$1 million, so an exemption set at twice that amount would have a grave effect on transparency.