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[Portland auditor withdraws fine against Gonzalez’s campaign](#) (Oregon)

PORTLAND — The Portland City Auditor has reversed its determination that Rene Gonzalez’s city council campaign violated campaign finance limits by accepting a subsidized monthly rent for office space and parking spots in Portland owned by campaign supporter and real estate mogul Jordan Schnitzer.

The announcement comes a month after Oregon administrative law Judge Joe L. Allen revoked a $77,000 fine the city issued against Gonzalez’ campaign, The Oregonian/OregonLive reported.

In his 18-page opinion, Allen wrote that the deeply discounted office space did not surpass the fair market value of the property and therefore did not qualify as an unreported campaign contribution.

The city must pay tens of thousands of dollars it withheld from Gonzalez, who beat out incumbent Commissioner Jo Ann Hardesty in the November city council race.

The auditor’s office said in a statement Wednesday that Allen’s decision impacted their determination, saying “the evidence no longer supported allegations of prohibited contributions.”
Gonzalez’s campaign was hit with the fines after Portland’s Small Donor Elections program and the auditor’s office investigated complaints into Gonzalez’s acceptance of subsidized rent for the downtown office space.

In September, Small Donor Elections program director Susan Mottet alleged that the fair market value of the office and pair of parking spaces was about $6,900 per month – amounting to an unreported discount of about 96%. Mottet claimed it was an illegal in-kind contribution under the city’s public campaign finance program, and ordered Gonzales to pay a fine totaling $77,140. She also later froze about $71,000 in public matching funds for which Gonzalez had already qualified.

The auditor’s office then fined Gonzalez’s campaign $5,520 after determining the six months of subsidized parking spaces qualified as prohibited in-kind contributions.

The Gonzalez campaign appealed, saying the city's estimate for fair market rental rates was grossly exaggerated.

What you need to know about Louisville Metro's new lobbying rules (Kentucky)

In an effort to increase transparency and trust in local government, Louisville Metro will require people and interest groups that try to influence city officials to register as lobbyists and file financial disclosures.

The new rules were approved by Metro Council during a recent meeting and will go into effect in May 2023. Anyone who's paid to influence local legislation or other city actions will have to register as a lobbyist.

The ordinance, authored by outgoing Democratic District 9 Council Member Bill Hollander, also bars city officials from becoming lobbyists for one year after leaving office. That measure is already in effect.

In an interview with WFPL News, Hollander said he proposed the legislation after looking at transparency measures taken by local governments of similar size to Louisville.

"We had a billion dollar budget last year, and clearly we are lobbied about that," he said. "It's not just the budget. When we passed the tree ordinance, there were lobbyists involved. When we were considering the lead [abatement] ordinance, there were lobbyists concerned about that."

Hollander's ordinance was modeled off of Kentucky's Code of Ethics, which was approved by the General Assembly in 1993. The Code came on the heels of a high-profile FBI investigation, dubbed Operation Boptrot, that resulted in corruption charges against 15 Kentucky legislators, lobbyists and public officials. Since then, lobbyists in Frankfort have faced similar registration and reporting requirements.

Laura Hendrix, executive director of the Kentucky Legislative Ethics Commission, said state lawmakers have only strengthened ethics rules in the last 30 years. She said having transparency is crucial for ensuring public trust in government, especially right now.

"Where today it seems like there's a lot less confidence in the institutions of government, I think it helps people to be able to look at how that process is," Hendrix said. "It reinforces making sure that the folks who you elect are working for their constituents and not for a particular vested interest that they may have because either their job or getting paid to support a particular viewpoint.

The lobbying ordinance in Louisville was part of a package of reforms proposed earlier this year, after Metro Council was sued over alleged corruption and favoritism. Emails and text messages made public as part of the litigation appeared to show District 26 Council Member Brent Ackerson, a Democrat, working behind the scenes with a developer to force his project through over the objections of neighbors and the city's Planning Commission.

In March, Metro Council approved expanded financial disclosure rules for city officials. Another ordinance explicitly requiring council members to avoid private conversations with developers and their hired lobbyists died in committee.

Who's considered a lobbyist?

Under the new rules, anyone paid by an employer to try to influence local government actions is considered a lobbyist. That includes people who work for nonprofits, associations or other organizations who only spend part of their working hours lobbying.

While the ordinance was being vetted by Metro Council's Government Oversight and Audit Committee, some Metro Council members expressed concerns about residents being considered lobbyists just because they are trying to get an issue in their neighborhood addressed.

In response, Metro Council members wrote in exceptions for people who limit their lobbying to public meetings or submitting public comments, private citizens expressing their personal opinions and employees of public agencies, like state government or universities.

Hollander said the ordinance was never intended to make it more difficult for Louisville residents to communicate with their representatives.

"This has nothing to do with grassroots lobbying," Hollander said. "It has nothing to do with people who are not paid contacting their Metro Council member or members of the [mayor's] administration."

The ordinance defines lobbying as any action meant to influence local government decisions, like asking an official to vote against a specific piece of legislation or offer an amendment.

Communication with a city official about routine permitting or licensing is not considered lobbying. Neither is communication about neighborhood issues that would require less than $25,000 to fix and benefit multiple people, such as the need for speed bumps or street lights.

Registration and financial disclosure requirements

Once the new rules go into effect next May, lobbyists will be required to file a registration form with Louisville Metro's Ethics Commission. The Commission is a seven-member board made up of volunteers appointed by the mayor and confirmed by Metro Council.

Lobbyists will need to provide their name, address and employment information. Law firms, businesses or interest groups that hire a lobbyist will also have to file a statement outlining the specific legislation they are trying to influence.

A last-minute amendment to the ordinance added a requirement for the Ethics Commission to post the registrations and statements online. Hollander said that will allow the public to look at the documents without having to file an open records request.

"When people want to get it, they should be able to get it quickly without having to file an open records request and also without creating a large and expensive bureaucracy to make this information available," he said.

On top of registering, lobbyists and their employers will have to file financial disclosures any time they spend money on behalf of a city official, candidate for public office or their immediate family members. That includes money spent on categories such as:

- dinners
- events
- advertising
- informational or promotional materials
- travel or lodging
- gifts, loans and real estate

Lobbyists will not be allowed to gift a city official with an item or service valued at more than $50. If they host an event where all Metro Council members or other officials are invited, lobbyists are barred from spending more than $300 on the price of admission, food and drinks for each official.

Individuals or organizations are required to register within a week of starting lobbying activities and then every two years after that. Statements of spending have to be updated every six months.

Is the Ethics Commission ready for the task?

Reporting by WFPL News in August found that many city officials failed to disclose some information that was required under the new financial disclosure rules Metro Council approved earlier this year. More than two dozen officials and candidates for local office hadn't even filed their disclosures three months after the deadline.

The Ethics Commission is responsible for getting compliance with the financial disclosure rules, as well as the lobbying regulations. The Commission has just one employee, a human resources officer, to do that.

Some Metro Council members have questioned whether the volunteer body is prepared to take on these new responsibilities.

At a Metro Council committee meeting in August, Democratic District 21 Council Member Nicole George asked the Commission's HR officer, Celia Gregory, how much time it had taken to vet all the financial disclosures her office had received.

"I did have to stay a few nights late, but not too late, to get this done," Gregory replied. "In the beginning, just trying to get in contact with everyone, it did cost a few extra man hours."

Gregory added that "maybe a second" employee would be needed to handle the new responsibilities, including lobbyist registrations.

The Ethics Commission currently does not have its own budget. The Commission had to dip into the city's Human Resources Department's budget to pay for postage on notices to officials who hadn't filled out disclosures.

There will not be any proactive enforcement of the new disclosure rules. Instead, the Ethics Commission will only investigate in response to third-party complaints.

If someone fails to file their paperwork or provides incomplete information unintentionally, they will have to file amended forms and may receive a letter of reprimand. Anyone found to be intentionally flouting the law or misleading the Commission could be subject to a civil fine of up to $500.

The Ethics Commission will also be required to provide training to city officials about the requirements within a year of the official taking office or being appointed.

After spending $39 million, California's campaign finance website still trapped in 2000 (California)

(The Center Square) – Despite nearly $40 million spent to update California's antiquated campaign finance website, state lawmakers are still awaiting the roll out of a new platform that was initially scheduled to go live in 2019. Now that may be pushed back to June 2026.

That was the subject of a hearing by the Senate Elections and Constitutional Amendments Committee, where senators and panelists sought to understand the delay in rolling out an updated version of the California Automated Lobbying and Campaign Contribution Electronic Search System, better known as Cal-Access. The system, first launched in 2000, is used by lawmakers, watchdogs, reporters and politicians to track campaign and lobbying financial activity.

A 2016 bill by now-retired Senator Robert Hertzberg required the Secretary of State, who oversees Cal-Access, to replace the outdated system by the end of 2019. But after asking for multiple extensions, the Secretary of State's Office announced in June 2021 that the rollout of the new system would be delayed.

Since 2016, the state has appropriated $55.6 million for the project, and about $39.4 million has been spent – representing about 70% of the money appropriated, according to the nonpartisan Legislative Analyst's Office.

Secretary of State Shirley Weber explained to lawmakers on Tuesday that she saw the problems with the system after she inherited the project from former Secretary of State Alex Padilla, who is now a California state senator. Padilla at the time called Cal-Access “Frankenstein’s monster of code.”

Weber, who was tapped by Gov. Gavin Newsom to replace Padilla, told the committee that the new system was plagued with several issues and was not ready to go live in June 2021 as planned.

“It became clear to me that there was no confidence in the readiness to launch the system,” Weber said. “I could have done the politically correct thing and launched the system and blamed everybody else for its failures, but I thought California deserved better.”

Weber explained that contracts with outside vendors did not identify specific deliverables for the project, resulting in millions of dollars spent without a usable website to show for it. Additionally, when Weber inherited the website, she said the platform struggled with issues related to data migration and testing defects that impacted readiness.

To resolve these issues, the Secretary of State’s office is now working with the California Department of Technology to oversee the website’s development. CDT’s process includes four steps as part of its Project Approval Lifecycle, and the SOS expects to complete the second step in spring 2023.

At this point, the LAO forecasts that the updated website could be finished sometime in June 2026 – a decade after lawmakers passed legislation to overhaul the current system.