

Andrew Klein

FROM	NAME & TITLE	Andrew Kleine, Chief
	AGENCY NAME & ADDRESS	Bureau of Budget and Management Research Room 432, City Hall (410 396-4941)
	SUBJECT	City Council CCB 13-0249 – Ethics – Lobbying Registration Fees

CITY of
BALTIMORE
MEMO



TO

DATE: October 18, 2013

Honorable President and
Members of the City Council
C/O Karen Randle
Room 409, City Hall

City Council Bill 13-0249 – Ethics – Lobbying Registration Fees is for the purpose of setting the filing fee for lobbyist registration forms at \$100; clarifying and conforming related provisions; and generally relating to lobbying registration.

Analysis

Under Maryland case law, fees must be set to offset the cost of the service or regulation provided. Fees may not be used as a general revenue source for the General Fund. Under the guidance of this law, the City of Baltimore implemented a city-wide fee policy that requires fees to be adjusted annually by the consumer price index and to require that the full cost is identified once every five years to ensure that fees approximate the cost of the service or regulation.

This bill will amend Subtitles 3 and 8 of Article 8 - Ethics, of the Baltimore City Code. While the existing filing fee for lobbyist registrations is set by the Board of Ethics of Baltimore City per the administrative powers granted to them by statute, this legislation would take that particular fee setting function away from the Board and statutorily set the filing fee for lobbyist registrations at \$100. This is an increase from the current filing fee set by the Board at \$20. Due to the fact that this legislation does not change any of the existing guidelines which determine when a lobbyist must register, it is unlikely that the change in the fee alone will affect the number of registrations. However, it should be noted that the number of registrations has increased in the current year and is already 35% greater than the prior year's total.

Fiscal Impact

The total number of lobbyist registrations for the prior year was 111. So far this year, the Board of Ethics has received 150 lobbyist registrations. The Board estimates that the total number of registrations for this year could climb as high as 175. Thus, the fiscal impact of this bill is estimated to be an annual increase in general fund revenues of between \$8,000 and \$14,000 depending upon the number of lobbyist registrations filed, as reflected in the chart below:

F/A



Number of Lobbyist Registrations	Total Revenue with a \$20 Filing Fee	Total Revenue with a \$100 Filing Fee	Increase in General Fund Revenue
100	\$2,000	\$10,000	\$8,000
111	\$2,220	\$11,100	\$8,880
150	\$3,000	\$15,000	\$12,000
175	\$3,500	\$17,500	\$14,000

Recommendation

The Finance Department supports CC Bill 13-0249 with the proposed amendment to make the fee compliant with the City Fee Policy and subject to an annual adjustment approved by the Board of Estimates.

CC: Harry Black
 William Voorhees
 Angela Gibson