

Authority: Executive Committee Item EX13.2, adopted as amended, by City of Toronto Council on May 3, 4 and 5, 2016

CITY OF TORONTO

BY-LAW No. 418-2016

To amend City of Toronto Municipal Code Chapter 140, Lobbying.

Whereas under sections 7 and 8 of the *City of Toronto Act, 2006* (the "Act") and the specific powers in sections 165 to 169 of Part V, Accountability and Transparency, of the Act, the City may pass by-laws to regulate lobbying activities, including the appointment of a Registrar; and

Whereas Council enacted Chapter 140, Lobbying, to regulate lobbying activities; and

Whereas Council wishes to increase accountability and transparency by establishing disclosure obligations for the beneficial ownership interests of consultant lobbyist's clients; and

Whereas Council wishes to promote compliance with Chapter 140 by enabling: conditions for registration, continued registration or renewal of registration; and the imposition of a temporary ban against a lobbyist who has been found in breach of Chapter 140;

The Council of the City of Toronto enacts:

1. Municipal Code Chapter 140, Lobbying, is amended as follows:

A. by adding as a new definition to § 140-1. Definitions, the following:

PERSON WITH SIGNIFICANT CONTROL:

- A. Any person who holds, directly or indirectly, 25 percent or more of the shares of a corporation, partnership, coalition or organization;
- B. Any person who holds, directly or indirectly, 25 percent or more of the voting rights of a corporation, partnership, coalition or organization;
- C. Any person who holds the right, directly or indirectly, to appoint or remove a majority of the board of directors of a corporation, partnership, coalition or organization;
- D. Any person who has the right to exercise or actually exercises significant influence or control of a corporation, partnership, coalition or organization;
- E. Any person who is a trustee of a trust that holds, directly or indirectly, 25 percent or more of the shares of a corporation, partnership, coalition or organization;
- F. Any person who is a trustee of a trust that holds, directly or indirectly, 25 percent or more of the voting rights of a corporation, partnership, coalition or organization;

- G. Any person who is a trustee of a trust that has the right to exercise or actually exercises significant influence or control of a corporation, partnership, coalition or organization; or
 - H. Any person who has the right to exercise, or actually exercises, significant influence or control over the activities of a trust that meets any of the requirements of Subsections E to G.
- B. by adding as a new § 140-15H, the following:
- H. The name and business address of any person with significant control of a client.
- C. by adding the following as new § 140-36.1 and 36.2:

§ 140-36.1. Temporary ban on communications.

- A. The Lobbyist Registrar may impose a temporary ban on communication in accordance with the following scheme if the Lobbyist Registrar finds that the requirements of this by-law have not been met:
 - (1) First breach: the lobbyist is banned from communicating with public office holders for one month;
 - (2) Second breach: the lobbyist is banned from communicating with public office holders for three months; and
 - (3) Third breach: the Lobbyist Registrar may ban the lobbyist from communicating with public office holders for a period of not more than two years.
- B. In determining whether to impose a temporary ban on communication under Subsection A and in determining the duration of a temporary ban on communication under Subsection A(3) the Lobbyist Registrar shall have regard to whether the temporary ban on communication will promote compliance with this chapter.
- C. If the Lobbyist Registrar believes that a person has not complied with a provision of this chapter, the Lobbyist Registrar shall inform the person:
 - (1) of the alleged contravention;
 - (2) of the reason why the Lobbyist Registrar believes there has been a contravention; and
 - (3) that he or she may provide a written response within 15 days of receipt of this communication.

- D. The Lobbyist Registrar shall have regard to any response provided in Subsection C(3) prior to imposing a temporary ban on communication in Subsection A.
- E. If the Lobbyist Registrar decides to impose a temporary ban on communication, the Lobbyist Registrar shall inform the person:
- (1) of the suspension;
 - (2) of the reason for the suspension; and
 - (3) that he or she may request a reconsideration within 30 days of receipt of the communication.
- F. The Lobbyist Registrar shall take no further action with respect of the suspension, including providing notification under Subsection H, and the suspension shall not take effect until the later of the following:
- (1) The expiration of the period of time noted in Subsection E(3), where no request for reconsideration has been received;
 - (2) Where a request for reconsideration has been received, the date the Lobbyist Registrar makes a decision on the reconsideration; and
 - (3) If the Lobbyist Registrar is made aware of the initiation of proceedings to challenge the decision by the person, the date when the challenge has been withdrawn, dismissed, or otherwise resolved.
- G. In addition to Subsections B, C and D, the Lobbyist Registrar shall establish any processes that the Lobbyist Registrar considers necessary to facilitate adequate notice and consideration of any submissions.
- H. If the Lobbyist Registrar imposes a temporary ban on communication, the Lobbyist Registrar shall post notice of the temporary ban on the Lobbyist Registrar's website and notify:
- (1) the City Manager;
 - (2) the City Clerk;
 - (3) the City Solicitor;
 - (4) Members of Council; and
 - (5) any public office holder who the Lobbyist Registrar determines appropriate to notify.

§ 140-36.2. Conditions for registration, continued registration or a renewal of registration.

- A. The Lobbyist Registrar may impose conditions for registration, continued registration or a renewal of registration of a lobbyist if the Lobbyist Registrar finds that the requirements of this by-law have not been met.
- B. Without limiting the generality of Subsection A, conditions for registration, continued registration or a renewal of registration of a lobbyist may include:
- (1) a requirement to attend training and other educational courses;
 - (2) a requirement to respond to communications from the Lobbyist Registrar in a specified time period;
 - (3) a requirement to refrain from communication with specified public office holders on specified topics; or
 - (4) any other condition that the Lobbyist Registrar determines appropriate.

Enacted and passed on May 5, 2016.

Frances Nunziata,
Speaker

Ulli S. Watkiss,
City Clerk

(Seal of the City)