

Sec. 18-42. – Disqualifications for Certain Political Contributors and Related Parties

It is the intention of the residents of the City that their elected officials discharge their public responsibilities without undue influence from political contributions. To further that objective, political contributors shall be subject to disqualification as follows:

(a) For the purposes of this section the following terms will have the following meanings:

Person - Any individual, corporation, partnership, limited liability company, business trust, trust, association, or other organization, estate, or other legal entity, including related parties [and political actions committees].

Political Contribution - Any contribution to any candidate for mayor, controller, City Council or to any political action committee which makes which contributes to any candidate for mayor, controller or City Council.

Disqualifying Political Contribution(s) - any political contribution or series of political contributions by any person or a Related Party of such person to any single candidate in excess of \$250 during the prior twelve-month period or a series of political contributions to any single candidate by multiple Related Parties of such person in excess of \$2500 in the aggregate during the prior twelve-month period.

Related Party/Related Parties – For any person (i) each person within the third degree by consanguinity or within the second degree by affinity, as currently defined by Texas Government Code, Chapter 573), (ii) any entity in which such person is an officer, director, partner or owns any beneficial interest over five-percent (5%) or more, (iii) entity in which the spouse or child of such person is an officer, director or partner or owns, in the aggregate, any beneficial interest of five-percent (5%) or more, (iv) any agent for such person [and (v) any political action committee established for the primary benefit of such person.] [Check out suggestion in (v) re PAC's]

(b) City Council shall not for a period of two (2) years from the date of any person's most recent Disqualifying Political Contribution (whether made directly or in combination with one or more Related Parties):

(1) award such person any contract with the City, any local government corporation in which the City participates (specifically including Houston First Corporation or any successor thereto), or any enterprise fund of the City or permit such person to be awarded subcontracts under contracts authorized by City Council;

(2) approve payments or contracts to such person pursuant to any budget approved by City Council for any local government corporation, any tax increment reinvestment zone corporation or any management district;

(3) select as underwriter or financial advisor for any bonds or notes to be issued by or for the benefit of the City any entity that engages such person as counsel, subcontractor or consultant with respect to that bond or note issue.

(c) The Mayor shall not appoint, and City Council shall not confirm the appointment of, to any City board or commission including, or to the boards of any tax increment redevelopment zone corporations, redevelopment corporations, management districts, the Port of Houston Authority, any local government corporation (specifically including Houston First Corporation or any successor thereto) or any other entity to which they are empowered to make appointments, any person who directly or indirectly, within the prior [two (2) years] has made a Disqualifying Political Contribution (whether made directly or in combination with one or more Related Parties).

(d) Any person who makes a Disqualifying Political Contribution (whether made directly or in combination with one or more Related Parties) shall be ineligible to register as a lobbyist pursuant to Article V of this Chapter for a period of two (2) years.

(e) Before any contract or appointment is placed on the City Council agenda or the registration of any lobbyist is accepted by the City Secretary:

(1) the proposed contractor, appointee or lobbyist must certify to the City in a form prescribed by the City Attorney, that, based on reasonable investigation, neither the proposed contractor, appointee or lobbyist (either directly or in combination with one or more Related Parties) has made a Disqualifying Political Contribution during the two (2) year period prior to the effective date of the contract, appointment or registration; and

(2) the City Controller certifies to the Mayor and Council or City Secretary that the Controller has examined the contributions made to all candidates for any City offices for two years prior to the proposed effective date of the contract, appointment or lobbyist registration and found no contribution that is Disqualify Political Contribution with respect to the proposed contractor, appointee or lobbyist. The Controller must complete this certification within thirty (30) days of the submission of a request from the Mayor. If the Controller does not complete the certification or issue a finding that a disqualifying contribution has been made within thirty (30), it will be presumed that no disqualifying contribution has been made. Such presumption may be challenged by any member of Council when the action is presented to Council for approval.

(f) If any member of the boards of any tax increment redevelopment zone corporations, redevelopment corporations, management districts, the Port of Houston Authority, any local government corporation (specifically including Houston First Corporation or any successor thereto) or the member of any City commission or board makes a Disqualifying Political Contribution (either directly or in combination with one or more Related Parties), the Mayor shall, without any action of City Council, suspend such member from any further participation as a board member or commissioner of that organization. The member will have thirty (30) to request a review of such suspension by City Council. If no review is requested within thirty (30) that board member will, without further action, be terminated from such board. If the board member requests a hearing before City Council, such hearing will take place within sixty (60) days to affirm or overrule the Mayor's suspension. Any person so removed will not be eligible to appointed to any board or commission described herein for a period of five (5) years.

(g) City Council shall have the authority to grant exemptions to organizations which have qualified for non-profit status under Internal Revenue Code Section 501(c)(3) on a showing of good cause.

(h) The provisions of this Section 18-42 will be effective on the date they are approved by City Council or, not approved by Council at 7:00PM on November 5, 2019. Subsection (e) shall apply to any political contributions made after the effective date of this ordinance.

(i) If it is determined that any provision of this Section 18-42 is in conflict with any other ordinance of the City, its provisions will prevail over any other ordinance.

(j) No candidate for an elected office of the City shall accept any campaign contribution from person on entity that holds a permit issued pursuant the City Code of Ordinance Article III, Section 28 (Sexually Oriented Businesses) or any person that is a related person as defined by Subsection (a) above.