



NEW YORK CITY COMPTROLLER **BRAD LANDER**

Maura Hayes-Chaffe
Deputy Comptroller for Audit

Audit Report on the Office of City Clerk's Enforcement of the Lobbying Law

MJ25-063A | December 5, 2025





THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
BRAD LANDER

December 5, 2025

To the Residents of the City of New York:

My office has audited the Office of the City Clerk's (OCC) enforcement of the NYC Lobbying Law, with a particular focus on its processes and the actions it took to ensure lobbyists' compliance with the law.

The audit determined that OCC generally complies with the requirements of the Lobbying Law by conducting audits of registered lobbyists and by publishing the required annual report. However, the audit found that certain improvements should be made, and OCC's processes could be strengthened through legislative change.

OCC's current enforcement of the Lobbying Law could be enhanced by statutory changes requiring City officials and certain employees to report contacts by third parties (e.g., political consultants, real estate developers, registered lobbyists) that potentially constitute lobbying, and which would trigger registration requirements. This would assist in OCC's efforts to detect unregistered lobbyists.

The audit also found that OCC could improve its current processes immediately, within its existing authority, by focusing its search for unregistered lobbying in areas that represent relatively high risk of undetected lobbying, by strengthening registration requirements, and by improving certain investigative processes.

The audit makes six recommendations in total. OCC agreed to implement all six recommendations in its response to the Draft Report.

The results of the audit have been discussed with OCC officials, and their comments have been considered in preparing this report. OCC's complete written response is attached to this report.

If you have any questions concerning this report, please e-mail my Audit Bureau at audit@comptroller.nyc.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Lander".

Brad Lander
New York City Comptroller

Table of Contents

Audit Impact.....	1
Summary of Findings.....	1
Intended Benefits.....	1
Introduction.....	2
Background.....	2
Corruption in Lobbying: A Brief History	3
Updates to the Lobbying Law	4
Duties and Functions of the City Clerk’s Lobbying Bureau.....	4
Objectives	5
Discussion of Audit Results with OCC.....	5
Detailed Findings.....	6
OCC Should Enhance Efforts to Identify Unregistered Lobbyists and Unreported Lobbying Activities	6
OCC’s Search for Unregistered Lobbyists Does Not Include Certain Entities Receiving Significant Financial Benefits from the City.....	7
OCC Does Not Require Entities Receiving Discretionary Funds to Explicitly Indicate Whether They Are Lobbyists.....	10
OCC’s Monitoring of Lobbying Activity Could Be Strengthened by Mandated Reporting and Training	10
Investigations into Unreported Lobbying Activity Are Limited in Scope...	11
Inadequate Guidance Governing Staff Responsibilities	12
OCC Staffing Shortages Hinder Its Efforts to Enforce the Lobbying Law	12
Recommendations	14
Scope and Methodology	16
Addendum	

Audit Impact

Summary of Findings

The audit found that the Office of the City Clerk (OCC) generally complies with the requirements of the Lobbying Law by conducting audits of registered lobbyists and by publishing the required annual report. Nonetheless, certain improvements should be made, and OCC's processes could be strengthened through legislative change.

OCC's current enforcement of the Lobbying Law could be strengthened by statutory changes requiring City officials and certain employees to report contacts by third parties (e.g., political consultants, real estate developers, registered lobbyists) that potentially constitute lobbying, and which would trigger registration requirements. Instead, the burden to detect unregistered lobbying falls on OCC.

Auditors learned that OCC has been in discussion with the City Council about amending the law to require that City agencies and other potential lobbying targets (people, organizations, and legislative bodies that a lobbyist may seek to influence) track and report potential lobbying activities to OCC. This would assist in OCC's efforts to detect unregistered lobbyists.

The audit also found that OCC could strengthen its current processes immediately, within its existing authority, by focusing its search for unregistered lobbying in areas that represent relatively high risk of undetected lobbying, by strengthening registration requirements, and by improving certain investigative processes.

Intended Benefits

This audit identified areas for improvement that could enhance OCC's enforcement of the Lobbying Law, further uphold transparency, and strengthen safeguards for the integrity of the public decision-making process.

Introduction

Background

The OCC serves as both the Clerk of the City of New York and the Clerk of the City Council, acting as the official recordkeeper and custodian of certain municipal documents. The office is responsible for maintaining an official record of and attesting to all local laws enacted by the City Council, certifying that the document is a true copy of a local law, and attesting to the City's obligations, such as leases and deeds of City property, grants, agreements, bonds, and tax notes. OCC issues marriage licenses and performs civil marriage ceremonies, administers domestic partnership registrations, and maintains official records of marriages. It also oversees the registration of lobbyists and administers and enforces the City's Lobbying Law, through its work in the Lobbying Bureau.

The Lobbying Bureau was officially established as a section of the OCC in 2006. The Bureau works with lobbyists and clients to ensure compliance with the NYC Lobbying Law and to promote transparency in government. Lobbyists are required to register with the Lobbying Bureau within specified timeframes and must report on the conditions of their retainers with clients. Violators of the Lobbying Law are subject to daily late fines (\$10 per day for first time filers, or \$25 per day for previous filers, for every late required statement or report) and civil penalties (not to exceed \$30,000) for noncompliance with Administrative Code § 3-223.

"Lobbying" is defined as any attempt to influence City officials, including the City Council, Mayor, Board members, Comptroller, or any City employee to support, oppose, or suggest changes to laws, policies, regulations, or decisions. Lobbying as a practice is legal and not inherently unethical, although there are associated risks.

According to the law, the term "lobbyist" applies to every person or organization retained, employed, or designated by any client to engage in lobbying;¹ it does not include any governmental officer or employee, or any public entity (i.e., corporation, agency, or commission) in the discharge of their official duties. Lobbying activities are conducted by three types of filers: (1) lobbyists, or entities who perform lobbying services on behalf of a client (whether individuals or other entities); (2) lobbyist/client filers whose employees lobby on behalf of their company for a client (i.e., an in-house lobbyist); or (3) clients who hire an entity to lobby on their behalf.

According to the Lobbying Law, there are 11 actions that qualify as lobbying. These include, but are not limited to:

- attempts to influence the City Council's decision to introduce, pass, or defeat local legislation, or the substance of legislation;
- attempts to influence the Mayor's support, opposition, approval, or disapproval of local legislation that may be introduced to the City Council;

¹ The term "client" is defined by the Lobbying Law to mean every person or organization who retains, employs or designates any person or organization to carry on lobbying activities on behalf of such client.

- attempts to influence any determination with respect to the solicitation, award, or administration of a contract, grant loan, or agreement involving public funds; and
- attempts to influence any determination made by the Mayor, the City Council, the City Planning Commission, a borough president, a borough board, or a community board with respect to zoning or the use, development, or improvement of real property subject to City regulation. For example, an individual or organization could attempt to influence the Department of City Planning with respect to an application to amend the zoning resolution or its maps.

Conversely, there are 11 activities that are *not* considered lobbying, including: a person's testimony at a public hearing, communications regarding a contract Request for Proposal, applications for zoning variance or special permits before the Board of Standards, and appearances before the Loft Board.

If an entity performing lobbying services (as defined in the law) for a client receives net compensation (less expenses) of more than \$5,000 for those services (or more than \$10,000 for architects and engineers), that entity is required to report its activities to the Lobbying Bureau. Such reporting should include the lobbyist's compensation, the duration of the term of representation, the client's name, and (if applicable) the terms of any third-party payments for the lobbyist's services, among other things.

Corruption in Lobbying: A Brief History

New York City's Lobbying Law was born out of a history of crises and corruption that exposed the dangers of unchecked private influence over government decision-making. During the 1970s Fiscal Crisis, New York City faced severe financial challenges and nearly went bankrupt, revealing deep flaws in oversight and governance. In response, the then Mayor issued an Executive Order to screen potential appointees to powerful positions, laying the groundwork for stronger lobbying regulations. The Lobbying Law was enacted to ensure that government decisions were not improperly influenced by private interests, especially in matters like contracts, budgeting, and fiscal policy—all of which had been mishandled during the crisis.

The need for such laws became even more apparent during the 1980s Parking Violations Bureau (PVB) scandal. Bribery and kickbacks tied to Queens Borough President Donald Manes revealed how lobbyists and political connections could corrupt contracting and service delivery. Companies vying for lucrative PVB contracts were coerced into pay-to-play schemes, directly benefiting Manes and his associates. The scandal severely damaged public trust in the City's government and underscored the urgent need for stronger oversight and anti-corruption measures.

More recently, the CityTime scandal highlighted how vendor relationships can distort City contracting processes, including the role lobbyists play in influencing the selection of contractors. CityTime was launched by the City in the late 1990s to automate employee timekeeping and payroll systems. Initially budgeted for around \$63 million, the project ballooned to more than \$700 million due to fraud, inflated invoices, and kickbacks.

Today, lobbyists continue to shape decisions across real estate, construction, public interest groups, nonprofits, finance, technology, and beyond. The City's Lobbying Law remains an

essential bulwark against corruption, ensuring that advocacy is conducted openly and honestly, and that government decisions serve the public interest, rather than private greed.

Updates to the Lobbying Law

The Lobbying Law has undergone amendments, reforms, and updates since it was initially enacted in 1972. Reforms in 2006 introduced electronic filings for lobbying reports and increased penalties for non-compliance to deter violations and ensure adherence to the law. Amendments and reforms in 2013 and 2016 required lobbyists to disclose more information about their clients and the specific issues upon which they were lobbying. In addition, the changes introduced mandatory training for lobbyists and a publicly accessible database of lobbying activities.

Duties and Functions of the City Clerk's Lobbying Bureau

The primary mandate of the Lobbying Law is to increase transparency in government, and as such, the Lobbying Bureau is responsible for ensuring that lobbyists and clients that meet the lobbying threshold are registered with the City. A lobbyist is required to file a Statement of Registration (SOR) for each client at the beginning of the calendar year, which includes detailed information about the lobbyist, their clients, the specific subject matter for which they are lobbying, and the people or agencies the lobbyist expects to influence. As part of the SOR, a lobbyist must also submit a retainer agreement with the client, which contains the client name, exact compensation rate, and term of representation, among other information. For each registration, a lobbyist must pay a registration fee of \$150 to the OCC for their first SOR filing, and \$50 for each SOR filed thereafter. Lobbyists must also file six subsequent reports (periodically, every two months) detailing their lobbying activities. In addition, lobbyists are required to file amendments when there are changes to the information listed on the registration form, such as a client's name or compensation rates.

Clients are generally required to file two types of reports: (1) a Client Annual Report that records all compensation paid for lobbying activities and (2) a Termination Notice when a client stops working with a lobbyist.

In 2018, the Lobbying Bureau unveiled the NYC Lobbyist Search database, which allows members of the public to research lobbying information with ease. The NYC Lobbyist Search lets users search data by lobbyist, client, year, lobbying subjects, and officials targeted for lobbying. Users may also conduct more advanced searches, including lobbyist and client retainer agreements and fundraising and political consulting reports. Users can also print reports. NYC Lobbyist Search is updated twice monthly and has allowed members of the public to access lobbying information quicker and more efficiently.

On average, between Calendar Years 2022 and 2024, there were 627 lobbyists serving 2,881 clients that registered with the Lobbying Bureau. As part of its duties and functions, each year, the Lobbying Bureau conducts compliance reviews of lobbyist and client filings to ensure that they are complete and accurate and performs audits of 45 randomly selected lobbyist filings to ensure compliance with the Lobbying Law.

The Lobbying Bureau also attempts to identify unregistered lobbyists and unrecorded lobbying activity by performing the following steps annually: reviewing recipients of discretionary City

funding; comparing lists of lobbyists registered with both New York City and New York State Commission on Ethics and Lobbying in Government (COELG); investigating complaints of unrecorded lobbying activity, including any referrals from the New York City Department of Investigation (DOI); reviewing filings with the NYC Campaign Finance Board to identify unreported fundraising and political consulting activities and/or unreported lobbying; and reviewing media, including both traditional (newspapers, magazines, television, and radio) and digital sources (social media, websites, blogs, and online advertisements).

In addition, the law requires that OCC work with City agencies and the City Council to conduct outreach (via print and electronic media) to people and organizations doing business with the City, informing them of their legal requirements. OCC is also required to provide mandatory training to every registered lobbyist.²

Finally, OCC is required to prepare and post an annual report on the internet. This report covers the administration and enforcement of the Lobbying Law, including the total number and amounts of civil penalties that were imposed, the number of lobbyists filing statements of registration for the first time, and the lobbying targets most frequently reported by lobbyists.

According to OCC's annual lobbying report, entities spent \$138.4 million on outside lobbying in New York City in 2024—an all-time high, and a 5% increase from the \$130.9 million spent in 2023. These amounts are based on compensation recorded on retainer agreements with clients of registered lobbyists with the Lobbying Bureau.

Objectives

The objectives of this audit were to assess the City Clerk's enforcement of the NYC Lobbying Law, with a particular focus on its processes and the actions it took to ensure lobbyists' compliance with the law.

Discussion of Audit Results with OCC

The matters covered in this report were discussed with OCC officials during and at the conclusion of this audit. An Exit Conference Summary was sent to OCC on September 25, 2025, and discussed with OCC officials at an exit conference held on October 22, 2025. On November 5, 2025, we submitted a Draft Report to OCC with a request for written comments. We received a written response from OCC on November 20, 2025. In its response, OCC agreed with all six recommendations.

OCC's written response has been fully considered and, where relevant, changes and comments have been added to the report.

The full text of OCC's response is included as an addendum to this report.

² All lobbyists must designate at least one officer or employee to complete mandatory training biennially. If a lobbyist lists 30 or more clients and five or more employees on its registrations, two employees must attend training every two years.

Detailed Findings

The audit found that the Office of the City Clerk (OCC) generally complies with the requirements of the Lobbying Law by conducting audits of registered lobbyists and by publishing the required annual report. Nonetheless, certain improvements should be made, and OCC's processes could be strengthened through legislative change.

OCC's current enforcement of the Lobbying Law could be strengthened by statutory changes requiring City officials and certain employees to report contacts by third parties (e.g., political consultants, real estate developers, registered lobbyists) that potentially constitute lobbying and which would trigger registration requirements. Instead, the burden to detect unregistered lobbying falls on OCC. This presents an obvious problem, since lobbyists have little incentive (other than the fear of potential detection and related consequences) to declare their lobbying activities.

Auditors learned that OCC has been in discussion with the City Council concerning amending the law to require that City agencies and other potential lobbying targets (people, organizations, or legislative bodies that a lobbyist may seek to influence) track and report potential lobbying activities to OCC. This would assist in OCC's efforts to detect unregistered lobbyists.

In addition to considering legislative change, the audit also found that OCC could strengthen its current processes immediately, within its existing authority, by focusing its search for unregistered lobbying in areas that represent relatively high risk of undetected lobbying, by strengthening registration requirements, and by improving certain investigative processes. OCC's searches for unregistered lobbyists, for example, do not focus on land use applications or non-competitive contract awards (e.g., sole source, negotiated acquisitions or small purchases), and current investigative practices could be improved. OCC's investigations appear limited in scope.

OCC's internal guidance to agency staff should also be improved, as it does not currently provide adequate guidance on how they should perform their duties.

OCC Should Enhance Efforts to Identify Unregistered Lobbyists and Unreported Lobbying Activities

To identify unregistered lobbyists, OCC currently relies on the review of certain filings and the investigation of complaints concerning suspected lobbying/lobbyists. However, as noted above, these efforts could be strengthened and improved.

OCC's Search for Unregistered Lobbyists Does Not Include Certain Entities Receiving Significant Financial Benefits from the City

To identify parties that may be required to register as lobbyists, OCC identifies entities that receive City funds and informs them of their obligation to review the Lobbying Law and determine whether they are required to register under the Lobbying Law.

OCC sends emails to all parties receiving discretionary funds that are not registered as lobbyists, alerting them to the Lobbying Law and the requirement to register, if applicable.³ Using this method in Fiscal Year 2025, OCC identified 1,863 unregistered entities that received an estimated \$66.1 million in discretionary funds that could have performed lobbying activities. Although they received a limited number of responses and did not register any new entities (as discussed below), OCC should build on this by targeting other groups that receive significant financial benefits from the City and for whom OCC does not conduct outreach.

These include (1) groups seeking land use changes; (2) groups awarded contracts that were procured non-competitively; and (3) recipients that receive a relatively large number of small purchase contracts (i.e., contracts that are not required to be bid to the lowest bidder). Considering the amount of money involved in real estate transactions and potentially lucrative non-competitive contracts that are awarded to vendors, it is essential that OCC ensures full transparency in such financial transactions with the City.

Entities Seeking Land Use Changes

In 2024, real estate interests accounted for the largest percentage (31%) of documented lobbying activities. Parties seeking approval for certain land use actions (e.g., changes in zoning designations) are required to submit Uniform Land Use Review Procedures (ULURP) applications to the City. The auditors found that OCC does not analyze ULURP applications to identify entities that should be registered as lobbyists. Not doing so increases the risk that applicants seeking to influence City officials in land-use policy decisions may not have been identified, and this in turn could undermine oversight efforts and accountability.

The audit team found that 11 (24%) of the 45 ULURP applicants during CY2024 had not registered with the Lobbying Bureau, even though the size and scope of these projects were comparable to other projects that did register. OCC officials confirmed that these projects were not registered and subsequently investigated the matter and reported results to the auditors.

After its preliminary investigation, OCC confirmed that no further activity was needed for eight of the 11 applicants—six applicants were registered under a different name and had reported the lobbying activity, and two applicants did not perform lobbying activity and were therefore not required to register. For three of the 11 applicants identified by the audit team, OCC opened investigative cases. Two have already resulted in admissions of failures to file, the issuance of

³ Discretionary funds are monetary awards given by the City Council to meet local needs and fill gaps in City agency services.

Notices to Cure, and the total imposition of \$120,480 in accumulated late filing penalties. The remaining applicant's civil penalties are pending determination, and the entity's periodic reports, not subject to daily late fines, require amendments.

Sole-Source and Negotiated Acquisitions

According to the Procurement Policy Board (PPB) Rules, "Procurement by competitive sealed proposals [...] is the preferred method for awarding contracts." However, in some cases, agencies are permitted to award contracts on a limited or non-competitive basis.

Sole-source contracts are contracts awarded to single vendors without a competitive bidding process, justified by the unique capabilities or circumstances of the chosen provider. Similarly, a negotiated acquisition is a type of business transaction where the buyer and seller engage in direct, private negotiations, rather than going through a public bidding process. Without public, competitive bidding, agencies may pay higher prices for goods and services, and the procurement process may be less transparent.

Unregistered lobbyists in a non-competitive procurement process pose significant risks to a government's integrity, legality, and public reputation. Non-competitive procurements often operate with fewer oversight controls than competitive bidding, and the hidden influence of an unregistered lobbyist exacerbates this risk by potentially subverting the public interest in favor of private agendas. For example, lobbyists might work with legislators to shape laws and/or agency budgets to argue that certain vendor contracts are unique and should therefore be awarded with little or no competition. Also, companies with strong political ties or personal relationships may gain favor over competitors that are more suited to the public's best interest.

During the COVID-19 pandemic and the migrant shelter crisis, several vendors engaged in informal lobbying by contacting agency officials without registering as lobbyists. The Lobbying Bureau received complaints about consultants and intermediaries who influenced contract awards without filing required disclosures. These cases often involved negotiated acquisitions, where vendors with little to no experience were awarded non-competitive bidding contracts, relying on their personal or political connections and circumventing standard oversight and competitive bidding processes. The NYC Department of Housing Preservation & Development's (HPD) contract with the medical services company Rapid Reliable Testing NY LLC (commonly known as DocGo) during the migrant crisis is a prime example of non-competitive procurement linked publicly to questionable influence.

In 2023, the City entered into a one-year, no-bid, emergency contract with DocGo valued at \$432 million. According to the contract, DocGo was to provide housing and services for asylum seekers. The City awarded the contract despite the company having no prior experience managing emergency housing. Reporting indicated that DocGo, a prominent political donor, gained access to City officials through informal channels, influencing the contract's terms without being registered as a lobbyist for this specific purpose. The no-bid deal drew widespread criticism, an

audit from the City Comptroller's Office, and media scrutiny for documented mismanagement.⁴ The public fallout demonstrates how hidden influence can lead to a deal that fails to serve the public interest and erodes public trust.

Auditors reviewed Checkbook data on sole-source and negotiated acquisition contracts for the period from January 1, 2022 through June 30, 2025, and identified 401 contracts involving 205 unique vendors. These contracts had a total dollar value of approximately \$1 billion.

Of the top 25 vendors with the highest valued contracts, only 13 were registered as lobbyists. These vendors had contracts with a total value of \$751 million. Auditors asked OCC about the remaining 12 vendors (with contracts valued at \$276 million) to determine whether any of them should have been registered as lobbyists or clients. OCC officials stated they will follow up with the 12 entities by serving Notices to Cure and requesting that the entities review their activities and the Lobbying Law, and to respond within 14 business days. This is OCC's standard practice. Any entity found in violation will be required to file, and the requisite daily late fines will be imposed.

Small Purchases

According to New York City procurement rules, small purchase contracts (generally valued at \$100,000 or less) are exempt from competitive bidding requirements. The rules are structured to allow efficient procurement for relatively low-cost contracts. However, a vendor may have multiple small purchase contracts, cumulatively valued at over \$100,000 and up to multiple millions of dollars. It is possible that an entity may attempt to lobby agency procurement officers for these contracts.

To determine whether this occurred, the audit team reviewed the 25 vendors that received the largest aggregate number of small purchase contracts between January 1, 2022 and June 30, 2025. The total dollar value of these contracts was \$47 million. The audit found that only six vendors—with small purchases totaling \$8.9 million—were registered in the LobbySearch database. Auditors asked OCC to clarify the status of the remaining 19 vendors, whose contracts totaled \$38.1 million. According to OCC, it does not appear that these entities are currently reporting, and the agency will follow up with the vendors by serving Notices to Cure and request that the entities review their activities and the Lobbying Law and to respond within 14 business days.

⁴ The Comptroller's Office audit, *Audit of the Department of Housing Preservation and Development's Oversight of Its Contract with Rapid Reliable Testing NY LLC (aka DocGo)*, was issued on August 5, 2024. The audit was initiated when the administration of Mayor Adams insisted on moving forward with the contract despite the Comptroller's Office's objections; the audit found that HPD did not hold DocGo to contract terms and did not require DocGo to provide appropriate documentation demonstrating that claimed costs were actually incurred and reasonable. (<https://comptroller.nyc.gov/reports/audit-of-the-department-of-housing-preservation-and-developments-oversight-of-its-contract-with-rapid-reliable-testing-ny-llc-aka-docgo/>)

OCC Does Not Require Entities Receiving Discretionary Funds to Explicitly Indicate Whether They Are Lobbyists

As stated earlier, OCC sends emails to all parties receiving City Council discretionary funds that are not registered as lobbyists, alerting them to the Lobbying Law and encouraging them to review their activities to determine whether they were required to register. For FY2025, OCC sent emails to 1,863 such recipients and received only 58 (3%) responses. These efforts did not result in the registration of any new lobbyists.

Auditors learned that OCC does not ask these email recipients to confirm that they meet the criteria for registering as lobbyists or clients. The emails simply inform the recipients that if they already comply with the law, no further action is necessary. At the very least, OCC should request that recipients indicate whether they are engaged in lobbying or political fundraising activities.

OCC's Monitoring of Lobbying Activity Could Be Strengthened by Mandated Reporting and Training

The Lobbying Law does not currently require elected officials or City employees to track, review, or report to OCC their communications with or approaches from third parties that may constitute lobbying. OCC lacks the authority to compel City agencies or their employees to report such activities, and in the absence of a requirement, agencies and employees have little incentive to voluntarily report approaches from third parties.

However, City officials and employees may lack awareness of the issues or understand when approaches from third parties constitute lobbying. According to OCC officials, the complexities and nuances of lobbying activities, exclusions, and reporting thresholds encumber untrained individuals, and because officials and employees are not mandated to report activities and often lack training, they may struggle to identify qualifying lobbying.

OCC officials indicated a willingness to provide training materials available to any agency that requests them. In the past, OCC has also conducted training for City agencies that requested it (including the NYC Department of Cultural Affairs, the Mayor's Office of Contract Services, and the City Comptroller's Office) and has also provided information about the Lobbying Law in response to requests from the Mayor's Office and City Council members. However, OCC stated that it does not have the authority to require an agency to provide training or to attend training offered by OCC. The office could offer such training and conduct outreach to agencies and City officials, even without a mandate to do so.

OCC officials stated that in April 2024, they met with a City Council committee to explore potential Lobbying Law amendments. One of the items discussed was an amendment requiring City agencies to track and report their contacts with outside parties. OCC officials stated that contact lists from executive agencies would be an excellent source and helpful in identifying unreported lobbyists. Also discussed was the need for mandatory training on the Lobbying Law for City

policymakers (the general targets of lobbying), which would help encourage City employees to report potentially unreported lobbying activity with the OCC.

The City has taken such an approach regarding efforts to enforce the City's ethics laws covering conflicts of interest. The Conflicts of Interest Board (COIB) is responsible for interpreting and enforcing the City's conflicts of interest ethics laws, utilizing a combined strategy of training, advice, and enforcement to carry out this role.⁵ The City Charter mandates that all City employees undergo COIB training to educate them on the City's conflict of interest laws, ensuring they understand how to avoid ethical violations and maintain public trust. Additionally, some individuals are deemed to have a certain degree of autonomy and discretion in carrying out their roles, such as elected officials, policymakers, high-level managers, and employees with contract duties. The Administrative Code requires that such individuals file annual reports with COIB disclosing their positions and their financial interests for the purpose of promoting transparency and integrity in City government. As potential targets of lobbyists, such individuals would benefit from receiving training in the Lobbying Law as well, so that they might be better equipped to identify and report lobbying activities. The Administrative Code and the City Charter do not currently mandate such action.

As of September 2025, OCC officials stated that there have been no further discussions or City Council action on this issue.

Investigations into Unreported Lobbying Activity Are Limited in Scope

OCC receives very few complaints about unreported lobbying activity. For the period covering CYs 2019 through 2024, OCC received 11 complaints from five complainants naming eleven potentially unregistered lobbyists. OCC initiated investigations in response to all complaints.⁶ OCC also initiated three additional investigations: two based on its own identification of potential lobbyists, based on a review of media (i.e., TV news programs, newspapers, and social media) and one referral from DOI.

The auditors' review of nine randomly selected closed case files found that all resulted in a determination of "no probable cause" of unreported lobbying. While the files showed that OCC did contact both complainants and respondents for more information and received signed affidavits attesting that neither parties were involved in the alleged lobbying, OCC should have taken additional steps to ensure it had all the necessary information to arrive at a proper determination.

The auditors found that the files contained no evidence that staff attempted to reach out to the City agencies or officials that were allegedly the subject of lobbying to determine the level of interaction between the entity and the alleged target. According to OCC officials, the Lobbying Bureau does not generally contact elected officials or City employees since the NYC

⁵ Conflict of interest laws are contained in Chapter 68 of the City Charter, Annual Disclosure Law, Lobbyist Gift Law, Affiliated Not-for-Profits Law, and Legal Defense Trusts Law.

⁶ One complainant submitted complaints against seven respondents.

Administrative Code does not confer jurisdiction over City agencies and employees, and because OCC does not have the authority to compel elected officials or City employees to respond to their inquiries.

Auditors acknowledge that the Administrative Code contains no requirement that City officials cooperate with OCC but also note that there is nothing in the Administrative Code prohibiting OCC from reaching out to officials, regardless of whether they are responsive. The Administrative Code does, however, grant OCC the power and duty to subpoena witnesses and records when conducting lobbying investigations. According to OCC, however, this power does not extend to City agencies and their employees when they are acting in their official capacity.

In addition, the auditors found no evidence that OCC conducted internet research about respondents, such as reviewing news articles (if not already identified by OCC's media searches) or LexisNexis searches. Such research could have helped identify additional evidence relating to the complaint. The auditors recommend that OCC seek out these and other sources when determining whether complaints have merit and maintain any search information on file.

At the Exit Conference for this audit, officials had no objection to the finding but stated that staffing shortages (discussed later in the report) hinder the Lobbying Bureau's ability to conduct more robust investigations.

Inadequate Guidance Governing Staff Responsibilities

OCC has not developed written policies and procedures outlining OCC's key requirements and responsibilities as they pertain to the Lobbying Law. Officials stated that staff follow the procedures in the Administrative Code sections governing the Lobbying Law. However, these are broad requirements and do not include adequate instruction regarding how requirements are to be carried out.

For example, the Administrative Code states that "the City Clerk will investigate the allegations contained in the complaint by reviewing any and all available evidence." However, it provides no directions to staff regarding the type of evidence that is acceptable, where such evidence might be found, and/or what supporting documentation should be maintained on file.

The dissemination of detailed written policies and procedures to staff would standardize investigative steps and other work and ensure that agency staff know how to carry out their duties in a consistent manner. In addition, well-documented policies and procedures and regular training assist in the onboarding process of new hires and provide a clear reference tool for all staff. This is necessary to maintain quality control and staff accountability.

OCC Staffing Shortages Hinder Its Efforts to Enforce the Lobbying Law

OCC—and specifically its Lobbying Bureau—face additional challenges in enforcing the Lobbying Law due to staffing shortages. Since 2020, the Lobbying Bureau's staffing has been affected

partly by the City's Program to Eliminate the Gap (PEG) budget initiative and hiring restrictions aimed at reducing expenditures. The staffing needs of the Lobbying Bureau were addressed when the City Clerk testified before the NYC Council Committee on Governmental Operations, State & Federal Legislation on April 19, 2024.

Currently, there are five people in the Bureau: the Deputy City Clerk, the Deputy General Counsel, a chief investigator, an investigator, and a paralegal. As of July 2025, the Bureau has three vacancies for two investigators and a trainer position. This limited staff capacity has hindered the Bureau's ability to carry out enforcement of the Lobbying Law and provide the vital services outlined in this report.

OCC officials indicated that their Personal Services budget does not allow for the hiring of new staff to fill vacancies or expand headcount to help deal with the growing number of registered lobbyists. This impacts OCC's ability to conduct thorough compliance reviews, audits, and investigations, as well as its general reviews to identify unregistered lobbyists and/or unrecorded lobbying activities. The lack of personnel also hinders the office's capacity to process and review the over 2,800 lobbyist registration statements submitted annually, and each registered lobbyist-client's required bimonthly reports.

This issue is primarily the responsibility of the Mayor's Office of Management and Budget (OMB), which approves and sets standards for agency hiring. The audit urges OMB to consider restoring OCC's staff budget, as these shortages jeopardize the office's ability to effectively enforce the Lobbying Law and uphold transparency. OCC should continue its ongoing efforts to advocate for the necessary funding to fulfill its critical and mandated duties.

Recommendations

To address the abovementioned findings, the auditors propose that OCC should:

1. Continue its efforts to petition the City Council to amend the Lobbying Law to (1) require training of City agencies, and (2) require all City agencies to report contacts with known lobbyists and those potentially “lobbying” for a benefit. Reporting should include the individual’s and firm’s names (if applicable), meeting date, location, and subject matter(s) discussed.

OCC Response: OCC agreed with this recommendation.

2. Ensure that it regularly reviews ULURP applicants and City vendors awarded non-competitive contract awards to determine whether any of the individuals or entities conducted lobbying activity, registered as a lobbyist with the Lobbying Bureau, and accurately recorded all lobbying activities.

OCC Response: OCC agreed with this recommendation and stated that it has implemented the recommendation.

3. Require entities under review for possible unreported lobbying activity to respond to OCC inquiries and explicitly indicate their lobbying or political fundraising activities, whether they met with City agencies, and the purpose of such meetings.⁷

OCC Response: OCC agreed with this recommendation.

4. Formally establish steps OCC staff must follow when investigating allegations of unreported lobbying activity and ensure that all steps are performed and well-documented. Steps should include contact with the subject of complaints as well as the targets of alleged lobbying activities within City agencies or government, and documentation should include all steps taken, evidence collected, and conclusions drawn.

OCC Response: OCC agreed with this recommendation.

5. Establish written policies and procedures consistent with the Lobbying Law and Administrative Code that include detailed guidance to staff for the proper performance of their assigned duties, including investigation steps of potentially unreported lobbying activity.

OCC Response: OCC indicated agreement with this recommendation but seemed to limit its application to “written policies and procedures for the City Clerk’s investigations of unreported lobbying detailing our processes, methodology, and findings.”

Auditor Comment: If OCC’s response intended to limit coverage of the new policies and procedures it agreed to implement, the auditors reiterate the need for comprehensive

⁷ In its response to the Draft Report, OCC stated that it disagrees with the finding relating to this recommendation, arguing that affirmative responses are not required because there is no presumption that they failed to comply with the Lobbying Law. By agreeing to implement the recommendation, however, OCC appears to recognize the benefit of having respondents acknowledge their responsibility and affirmatively state their compliance with the law.

policies that cover all duties of OCC under the NYC Lobbying Law and Administrative Code. A complete policy framework for all responsibilities—including registration administration, random audits, and penalty imposition—would ensure consistent and transparent execution of OCC's full mandate.

6. Continue its efforts to advocate to OMB for the necessary funding to hire staff needed to carry out its critical and mandated duties outlined in the Lobbying Law to help maintain public trust.

OCC Response: OCC agreed with this recommendation.

Scope and Methodology

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards (GAGAS). GAGAS requires that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions within the context of our audit objective(s). This audit was conducted in accordance with the audit responsibilities of the City Comptroller as set forth in Chapter 5, §93, of the New York City Charter.

The scope of this audit was January 1, 2022 through June 30, 2025.

To obtain an understanding of OCC's responsibilities and laws/regulations relating to the administration and enforcement of all the provisions of the Lobbying Law, the auditors reviewed and used the following documents as their audit criteria:

- Lobbying Law: New York City Administrative Code §3-211 – §3-223;
- Lobbying Rules: Chapter 1 of Title 51 of the Rules of the City of New York (RCNY);
- OCC's Lobbying Bureau PowerPoint training presentations for (1) experienced lobbyists, (2) lobbyists/client filers, and (3) new lobbyists;
- OCC Lobbying Bureau's Annual Reports 2022 through 2025; and
- NYC Office of Technology & Innovation's e-Lobbyist User Guide (June 2015).

To gain an understanding of how OCC administers and enforces the provisions of the Lobbying Law to promote transparency in government, the audit team met with the Deputy City Clerk and the Chief Investigator for an overview of the agency's lobbying enforcement process, including: (1) lobbyist training; (2) the review of statements and reports required to be filed by lobbyists and clients; (3) the conducting of investigations and audits; (4) the collections of fines and fees; and (5) OCC's efforts to identify lobbyists required to file statements of registrations who have not filed.

In addition, the auditors discussed the applications and computer systems used by all lobbyists to register and submit required documents, agency staff to perform assigned functions, and the public information database for all lobbying reports filed with OCC by lobbyists and clients (<https://lobbyistsearch.nyc.gov/>) for transparency purposes.

The auditors obtained three electronic data records on the populations of registered lobbyists that were reviewed by OCC consisting of 2,866 (CY2022), 2,881 (CY2023) and 2,897 (CY2024) unique lobbying registrations. To test the accuracy of the OCC-provided data, each calendar year population was stratified by its unique client identification number, and each of the 50 random samples with their corresponding lobbyist's records selected for review, using RAT-STATS statistical software. All 150 samples were compared to the data on the Lobbyist Search website. In addition, to determine the completeness of the OCC-provided populations, all registered lobbyist data listed on the Lobbyist Search website was extracted and compared to OCC's provided population of 8,644 registered lobbyists.

To assess OCC's compliance with the Lobbying Law and to determine whether there are clear guidelines/requirements and detailed steps to be followed by staff to address key aspects of the City Clerk's administration of its requirements, auditors conducted the following analyses:

- Compared training presentations drafted by OCC for lobbyists, lobbyist/client filers, and client filers with Lobbying Rules: NYC Administrative Code §3-212 (f) requirements.
- Reviewed CY2022 through CY2024 issued annual reports to determine whether the Lobbying Law's annual reporting requirements were met.
- Reviewed OCC-selected CY2024 audit samples to determine the fairness of OCC's audit sample selection process, specifically looking at the probability that each registered lobbyist had an equal selection chance. Auditors also randomly selected five of the 45 audits conducted by OCC in 2024 and evaluated whether: (1) there was sufficient evidence to assure that the sample audits were completed; (2) the lobbyists' reported data were consistent with the clients' reported data; (3) OCC's audit findings and actions (recommendations) were consistent in relation to the reviewed data; and (4) the City Clerk's conclusion were correct.
- Randomly selected and reviewed nine of 14 investigations of unregistered lobbying conducted by OCC from 2019 to 2024 to ascertain whether (1) investigations were performed and complete with satisfactory documented evidence supporting the conclusions; and (2) the investigation's initial objectives were consistent with the subsequent outcomes.

To identify individuals/entities that may have conducted unreported lobbying activities in NYC and were subject to the NYC Lobbying Law registration and reporting requirements, the team conducted the following tests:

- Auditors downloaded CY2024 population of 160 Uniform Land Use Review Procedure (ULURP) zoning applications from the NYC City Planning Commission website. The population was stratified by unique project applications, and 89 projects were identified. NYC government agency projects were removed from audit analysis, leaving 45 private entities with total uplift value of \$9.7B dollars for review. All 45 private entities were compared to the NYC Lobbyist Search website to determine how many of the ULURP zoning projects were associated with registered lobbying activities.
- Auditors downloaded from the City Council website the Fiscal Year 2024 population of NYC Council discretionary funding recipients, public and non-profit organizations, with awards valued at \$527,096,000. The population was stratified by the organization's legal name, 2,218 unique organizations were identified, and organizations in receipt of less than \$10,000 in funding were excluded. The remaining 1,779 organizations were sorted into three funding categories: (1) greater than \$10,000 but less than \$50,000; (2) greater \$50,000 but less than \$100,000; and (3) greater than \$100,000 dollars. A random sample of 10% (178) was selected from each category using RAT-STATS statistical sampling software. The 178 selected organizations with funding of \$524,682,023 were compared to the NYC Lobbyist Search database to determine whether any of the sampled organizations were registered as lobbyists in CY2023, the year preceding the funding award, and CY2024, the funding year.

- Auditors downloaded from the NYC Checkbook database Sole-Source and Negotiated acquisition/DOE negotiated services contracts awarded between January 1, 2022 and June 30, 2025, with contract amounts totaling \$1,160,361,013. The population consisting of 401 contract identification numbers (ID) was stratified by vendors and 205 unique vendors were identified. The 25 highest-value sole-source and negotiated contract recipients consisting of 37 contracts valued at \$1,027,574,492 were compared to the NYC Lobbyist Search database to determine whether any of the sampled recipients registered as lobbyists during the review period.
- Auditors extracted Small Purchase contracts for the period January 1, 2022 through June 30, 2025, from NYC Checkbook database, consisting of 12,406 contract ID numbers with contract amounts valued at \$308,415,705. The population was stratified by vendors, with 3,253 identified vendors. The 25 highest Small Purchase vendors with 1,883 contracts valued at \$47,075,000 were compared to the NYC Lobbyist Search database to determine whether any of the sampled vendors registered as lobbyists during the review period.

The results of the above tests, while not projectable to their respective populations whenever a sample was used, provided a reasonable basis for the auditors to evaluate whether OCC adequately administered and enforced the Lobbying Law.



**THE CITY OF NEW YORK
OFFICE OF THE CITY CLERK
141 WORTH STREET
NEW YORK, NEW YORK 10013**

MICHAEL MCSWEENEY
CITY CLERK, CLERK OF THE COUNCIL



November 20, 2025

VIA E-MAIL

Maura Hayes-Chaffe
Deputy Comptroller for Audit
Office of the New York City Comptroller
1 Centre Street, 11th Floor North, New York, NY 10007

Re: Audit on the Office of the City Clerk's Enforcement of the Lobbying Law MJ25-063A

Dear Ms. Hayes-Chaffee,

I am in receipt of the draft of the above-captioned audit report.

I have attached my responses to the recommendations contained in the draft audit report with the understanding that this response will be attached to the final audit report. On behalf of both my staff and I, I would like to express my gratitude for the professionalism, diligence and hard work of your staff during this audit process.

If there are any further questions, please do not hesitate to contact me at 212-669-8898.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael McSweeney".

Michael McSweeney
City Clerk
Clerk of the Council

Response to Findings and Recommendations

The Office of the City Clerk (“City Clerk” or “OCC”) has reviewed the draft Audit Report, dated November 5, 2025, and prepared this response.

- 1. Continue its efforts to petition the City Council to amend the Lobbying Law to (1) require training of City agencies, and (2) require all City agencies to report contacts with known lobbyists and those potentially “lobbying” for a benefit. Reporting should include the individuals’s and firm’s names (if applicable), meeting date, location and subject matters(s) discussed.**

The City Clerk will present this recommendation to law makers. The City Clerk is a regulatory agency and not a legislative or executive body with law making authorities. The statutory and regulatory framework of the Lobbying Law is self-reporting. The Lobbying Law places the burden on the entity who is attempting to influence the government to file reports. The Lobbying Law does not currently contain a requirement that elected officials or officers or employees of the City either track, review, or report their communications with any individuals regardless of whether the entity is a registered lobbyist, a suspected lobbyist, a government affairs specialist, a political consultant, a real estate developer, or any other professional. Any person can engage in lobbying and lobbying is a constitutionally protected form of speech. The goal of the Lobbying Law is not to burden, tax or deter freedom of speech. Instead, the goal is to collect lobbying information and assist in providing it to the public to create transparency in government. The promotion of transparency in government is a tool that not only educates the public but serves as a cornerstone to protect integrity in government and to combat waste, misuse, fraud and corruption.

- 2. Ensure that it regularly reviews ULURP applicants and City vendors awarded non-competitive contract awards to determine whether any of the individuals or entities conducted lobbying activity, registered as a lobbyist with the Lobbying Bureau, and accurately recorded all lobbying activities.**

The City Clerk has implemented this recommendation. OCC is currently in the process of reviewing: (i) 2025 ULURP applications; and (ii) City vendors awarded non-competitive contracts from 2022-2025 (as identified by the Comptroller’s Office) and comparing them to reports completed on e-Lobbyist to determine whether there is any unreported lobbying.

The determination of whether ULURP and City vendors awarded non-competitive contracts (Sole-Source, Negotiated Acquisitions, and Small Purchases-Written contracts) were engaged in unreported lobbying requires extensive fact-finding, investigation and follow-up. First, we must review public databases and documents and compare the documents to filings completed on e-Lobbyist. If it is suspected that an entity is required to file, a notice to cure is served requesting that the entity review their activities and review the Lobbying Law and respond to our office within fourteen business days as is our standard practice. Any entity found in violation will be required to file reports and the requisite daily late fines will be imposed. All necessary enforcement

proceedings will be followed including service of a petition and a hearing at OATH for entities who either fail to respond or refuse to comply.

With respect to ULURP applications, we must determine whether the underlying application falls within a defined lobbying activity and whether the filer exceeded the reporting threshold. The lobbying reporting system is a self-reporting system and the determination of whether an activity is reportable is a detailed fact specific three-part analysis. First, the entity must carefully examine whether they are attempting to influence elected city officials or officers or employees of the City with respect to the eleven enumerated activities contained in the Lobbying Law. See New York City Administrative Code (“Admin Code”) § 3-211(c)(1). Second, the filer must review the list of enumerated exclusions (lobbying activities that do not have to be reported) and determine whether their activities are excluded and therefore do not have to be reported. For a complete list of exclusions see Admin Code §§3-211(c)(2) and (3); AO 2016-1, AO 1987-8, and AO 1987-10. Lastly, the entity must determine whether their activities exceed the reporting threshold as entities are only required to report if they exceed \$5,000 in compensation and expenses for enumerated lobbying activities in a calendar year. See Admin Code § 3-213(a).

It should be noted that it is possible that: (1) the entities are in fact reporting, but under a different entity name; (2) the entities may be below the \$5,000 threshold and therefore are not required to report; and (3) the filer may fall within an enumerated exception. For instance, if the entities are architects/engineers they would be afforded a higher reporting threshold of \$10,000 as well as additional exclusions pursuant to Admin Code § 3-211(c)(3)(viii), which includes, “architects and engineers who perform design work and draft plans pursuant to their state-issued professional license, or persons who work under the direct supervision of an architect or engineer who holds such a license, even if such work is preceded or followed by lobbying or lobbying activity as defined in paragraph one of this subdivision.”

With respect to City vendors awarded non-competitive contracts, the City Clerk must determine, at a minimum, how the contracts were obtained and whether internal or external lobbying was involved. The fact that an entity receives a contract or funding is not de facto evidence of lobbying. It is possible that: (1) the entities are in fact reporting, but under a different entity name; (2) the entities are below the reporting threshold; (3) the entities received contracts or funding without attempting to influence an elected official or officer or employee of the City; or (4) the entities’ activity falls within one of the exclusions outlined in Admin Code § 3-211(c)(3).

3. Require entities under review for possible unreported lobbying activity to respond to OCC inquiries and explicitly indicate their lobbying or political fundraising activities, whether they met with City agencies, and the purpose of such meetings.

The City Clerk disagrees with this finding but will implement the recommendation with respect to revising the email sent to recipients of funding from the City Council to require that all entities respond to our informational email regarding the Lobbying Laws. If the entity did engage in lobbying and did not report it, we assist the entity in complying with the Lobbying Law and issuing late filing penalties as necessary. We will also hold an informational session to help educate the

recipients of discretionary funding regarding the Lobbying Laws and rules which has been scheduled for December 2, 2025.

The City Clerk utilizes numerous methods for identifying unreported lobbying. They include, but are not limited to:

- 1) Review of all statements of registration and retainer agreements filed with the City Clerk. Each year the Lobbying Bureau staff reviews over 20,000 reports submitted on the e-Lobbyist system for timeliness and completeness.
- 2) Comparison of statements of registration filed with the New York State Commission on Ethics and Lobbying in Government (“COELG”) with statements of registration filed on the e-Lobbyist system. On average 7,000 COELG statements of registrations and associated periodic reports are reviewed.
- 3) Investigation of public complaints. Any member of the public may file a complaint with our office with respect to unreported lobbying. Historically, complaints are filed by good government groups, members of the media, and other individuals who are working in government relations and or lobbying fields. Indirectly these “watchdogs” assist in compliance and enforcement and aide OCC to uncover unreported lobbying.
- 4) Referrals from other City agencies such as DOI, COIB, and CFB.
- 5) Monitoring of media sources for evidence of unreported lobbying.
- 6) Notification to recipients of discretionary funding from the City Council.

Although the finding is applicable only to entities which receive discretionary funding from the City Council, the word usage in the finding and recommendation implies otherwise. Specifically, the Audit Report states: “Auditors learned that OCC does not ask these recipients [of discretionary funding from the City Council] to confirm that they meet the criteria for registering as lobbyist or clients. The email simply informs the recipient that if they already complied with the law, no further action is necessary.”

The email to the recipients of the discretionary funding is sent to the recipients for informational purposes only. It is not sent because the entities are suspected of unreported lobbying. Therefore, the statement that the City Clerk fails to “require entities under review for possible unreported lobbying activity to respond to OCC inquiries and explicitly indicate their lobbying” is inaccurate.

Affirmative responses are not required from these entities because there is no presumption that they have failed to comply with the Lobbying Law. Only entities that exceed the \$5,000 threshold for reportable lobbying activities are required to report. See Admin Code § 3-213(a). Secondly, if the only activity an entity engaged in was to complete the City Council form requesting discretionary funds, then the entity is not required to report. See AO 2013-1. Lastly, all entities which receive discretionary funding are already required to complete a certification from the City Council which affirms that they are following New York State and City lobbying laws. This is the reason why an affirmative response is not required from recipients of funding from the City Council.

It has been our long-standing practice that any entities that are believed to be engaged in unreported lobbying are fully, carefully, and thoroughly investigated. If probable cause is determined, then

enforcement proceedings are commenced. At the very least, if any entity is alleging that they are not engaged in reportable lobbying, it is only upon further fact finding, the production of documents, and full legal review that an investigation is closed. In those instances where an investigation is closed, the subject of the investigation is required to sign and notarize an affidavit which swears and affirms under the penalty of perjury that no reportable lobbying occurred. In addition, in the instance of every investigation, the City Clerk reserves the right to re-open the investigation should new evidence come to light.

- 4. Formally establish steps OCC staff must follow when investigating allegations of unreported lobbying activity and ensure that all steps are performed and well documented. Steps should include contact with the subject of complaints as well as the targets of alleged lobbying activities within city agencies and government, and documentation should included all steps taken, evidence collected, and conclusions drawn.**

The City Clerk will implement this recommendation and issue additional written policies and procedures for City Clerk investigations detailing our processes, methodology, and findings. The current policies and procedures related to investigations are outlined in Admin Code § 3-212 and § 3-223 and Rules of the City of New York (“RCNY”) §§ 1-12, 1-13, and 1-14. Specifically, with respect to the powers and duties of the City Clerk, Admin Code states: “In addition to any other powers and duties specified by law, the city clerk shall have the power and duty to administer and enforce all the provisions of this subchapter, subpoena witnesses and records, issue advisory opinions to those under its jurisdiction, conduct investigations and audits necessary to carry out the provisions of this subchapter, prepare uniform forms for the statements and reports required by this subchapter and promulgate such rules as deemed necessary for the proper administration of this subchapter.”

In every investigation the Chief Investigator reviews all documents, interview subjects, conducts research, and consults the executive team regarding legal issues. The executive team then works together to review all facts, publicly available information, requested documents, and determine whether there is probable cause that a violation occurred and whether enforcement action is required.

The Admin Code grants the Lobbying Bureau jurisdiction over registered lobbyists and registered clients only. Admin Code § 3-211 states:

- (a) The term "lobbyist" shall mean every person or organization retained, employed or designated by any client to engage in lobbying. *The term "lobbyist" shall not include any officer or employee of the city of New York, the State of New York, any political subdivision of the State, or any public corporation, agency or commission, or the United States when discharging his or her official duties.*
- (b) The term "client" shall mean every person or organization who retains, employs or designates any person or organization to carry on lobbying activities on behalf of such client. *(emphasis added)*

Therefore, investigatory activities of the Lobbying Bureau are primarily focused on the unreported lobbying activities of lobbyists and clients. Any notices, requests for documentation, interviews, and meetings are served on and conducted with lobbyists and/or clients as outlined in RCNY § 1-12(c)(2).

If an elected official, officer or employee of the City is identified as a target in connection with unreported lobbying, the City Clerk will contact the elected official, officer or employee, should a factual issue be involved. Section 3-212 of the Admin Code authorizes the City Clerk to subpoena witnesses and records which include City agencies and employees, if necessary, during investigations.

Numerous emails/calls, internal meetings, external meetings, document requests, and research activities (including review of media sources) are conducted in connection with all investigations. The investigator makes document requests, reviews all documents produced, reviews public information, conducts interviews with subjects in conjunction with legal counsel, and consults with the executive team during every investigation. Whenever a signed affidavit is required, upon consultation with legal staff, the subject is required to execute an affidavit. All affidavits are notarized and sworn and affirmed under the penalty of perjury. In addition, every affidavit contains language stating: “I understand that the Office of the City Clerk will act in reliance of the statements made in this Affidavit and any action taken in reliance of these statements may be overturned if it is later discovered that such statements made are false.”

5. Establish written policies and procedures consistent with the Lobbying Law and Administrative Code that include detailed guidance to staff for the proper performance of their assigned duties, including investigation steps of potentially unreported lobbying activity.

As stated above, the City Clerk will implement this recommendation and issue supplemental written policies and procedures for the City Clerk’s investigations of unreported lobbying detailing our processes, methodology, and findings.

6. Continue its efforts to advocate to the OMB for the necessary funding to hire staff needed to carry out its critical and mandated duties outlined in the Lobbying Law to help maintain public trust.

The City Clerk will implement this recommendation to the extent that it is feasible. City Clerk staff shortages and budget restorations are a top priority for the City Clerk, and we will continue to advocate for both items.

The greater staffing needs of the Lobbying Bureau were addressed when the City Clerk testified before the NYC Council Committee on Governmental Operations, State & Federal Legislation on April 19, 2024. During the committee hearing, a council member inquired specifically regarding the staffing levels and vacancies and inquired: “How has the staffing capacity of the Lobbying Bureau changed over time? Do you think that given a doubling in lobbying work, the City should

double the staffing and resources of the Lobbying Bureau? How have the recent PEGs impacted operations?” Video of the hearing testimony is available at: <https://legistar.council.nyc.gov/Calendar.aspx>.

The City Clerk’s inability to fill vacancies or increase our staffing levels has affected our ability to carry out enforcement of the Lobbying Law. When it comes to lobbying in New York City, the consistent pattern has been one of growth. Our March 2014 Annual Report listed total lobbyist compensation in the amount of almost \$63,000,000 (\$62,682,528.87). Our most recent Annual Report listed total compensation of approximately \$131,000,000 (\$130,962,045.71). In 2014, we reported that 1,972 statements of registrations were filed as compared with 2,282 which were reported in 2024. The numbers have grown in 2025. As of November 20, 2025, the number of statements of registrations filed is 2,836 a number which will continue to grow.

Despite staff shortages and vacancies, the Lobbying Bureau works diligently to timely and accurately respond to all requests for filing assistance, provide written responses and guidance on the Lobbying Law, and conduct mandatory training for all registered lobbyists (approximately 600). In 2014, we responded to approximately 2,000 requests for filing assistance and interpretations of the Lobbying Law. By 2024, that number has grown to almost 6,000 per year. Each year the Lobbying Bureau staff reviews over 20,000 reports submitted on the e-Lobbyist system for timeliness and completeness. On average the Lobbying Bureau collects between \$200,000 and \$250,000 in registration fees each year. Staff meticulously reviews reports and judiciously imposes and collects late fines as mandated by the Admin Code. In 2022, we collected approximately \$340,000 in late fines and civil penalties. In both 2023 and 2024 that number has grown to approximately \$400,000 in late fines. In 2025, we see similar patterns in terms of growth.





NEW YORK CITY COMPTROLLER
BRAD LANDER

1 Centre Street, New York, NY 10007

www.comptroller.nyc.gov

 @NYCComptroller

(212) 669-3916