

IN THE CITY COUNCIL OF THE CITY OF LIVERMORE, CALIFORNIA
**AN ORDINANCE AMENDING ARTICLE II *ELECTION CAMPAIGN CONTRIBUTIONS*,
IN CHAPTER 2 *ELECTIONS*, IN THE LIVERMORE MUNICIPAL CODE**

In 1974, California voters approved the California Political Reform Act (PRA). The PRA established a comprehensive set of regulations for campaign financing, lobbying activity, and conflicts of interest in California. Candidates seeking election to municipal offices and local election committees must comply with the PRA. Government Code section 81013 in the PRA expressly allows cities to enact more rigorous contribution and disclosure laws, provided the regulations do not prevent a candidate, committee, or filer from also complying with the PRA.

In 1986, Livermore exercised its authority in the PRA and adopted local regulations for campaign contributions, expenditures, and reporting. (Ordinance 1219). The most recent substantive revisions to the local regulations, prior to this ordinance, were adopted in 2004¹ and did the following:

- Increased the contribution limit from \$100 to \$250, but retained the \$50 limit for anonymous contributions;
- Specified that the “election period” for contributions relates to the election period for the office and not a calendar year;
- Reconciled the filing date for the final post-election campaign statement to be consistent with the State’s requirements; and,
- Specified that committee expenditure reports are filed in accordance with the provisions of the PRA, and not necessarily at the same time post-election campaign statements are due.

On February 22, 2017, the City Council directed staff to review Livermore’s local campaign regulations to identify potential revisions.

On July 24, 2017, the City Council considered possible changes in the following three areas: (1) The City’s local contribution regulations; (2) The removal of the requirement that independent committee’s obtain a candidate’s permission before expending funds on the candidate’s behalf; and, (3) Whether to incorporate other regulations based upon recent legislative changes.

¹ Ordinance 1731, adopted July 12, 2004.

On July 24, 2017, the City Council determined that the \$250 limit on campaign contributions to candidates and campaign committees was too low in light of costs to mount an effective campaign in Livermore. The Council also determined that the broad definition of the term "committee" should be retained for the purposes of campaign disclosure statements.

The City Council then directed the City Attorney to prepare an ordinance:

1. Removing the \$250 limit on contributions to local candidates and campaign committees;
2. Removing the requirement that independent campaign committees obtain a candidate's authorization before expending funds on the candidate's behalf; and,
3. Requiring the electronic filing of campaign statements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LIVERMORE DOES ORDAIN AS FOLLOWS:

Section 1. Authority. This ordinance is adopted pursuant to the City's police power authority established in section 7, article XI of the California Constitution, to protect the health, safety, and welfare of the public, and the authority granted to it by Government Code section 81013 in the California Political Reform Act to establish local campaign regulations.

Section 2. Purpose and Intent. The purpose and intent of this ordinance is to prevent corruption, the appearance of corruption, and the circumvention of otherwise valid campaign finance regulations, and to educate voters about interests a candidate is likely to respond to, and expose large contributions to the public eye (thus discouraging candidates from accepting them and becoming beholden to special interests), through increased transparency in campaign donations and expenditures by requiring candidates, and treasurers of committees aiding such candidates, to make a full and fair declaration disclosure of the persons making contributions, the amounts of such contributions, as well as the persons to whom or on behalf of whom expenditures are made, and the amounts of such expenditures.

Section 3. Amendment. Article II *Election Campaign Contributions* of Chapter 2.14 *Elections* of the Livermore Municipal Code is hereby amended as set forth in Exhibit A, attached hereto.

Section 4. Environmental. The passage of this ordinance is not a project according to the definition in the California Environmental Quality Act and, therefore, is not subject to the provisions requiring environmental review. Specifically, the ordinance is not subject to review pursuant CEQA Guidelines section 15060(c)(2) because there is no potential that it will result in a direct or reasonably foreseeable indirect physical

change in the environment and CEQA Guidelines section 15378 because it has no potential for either a direct physical change to the environment, or a reasonably foreseeable indirect physical change in the environment.

Section 5. Severability. If any part of this ordinance is declared unconstitutional by a court, such unconstitutionality shall not affect any of the remaining parts.

Section 6. Publication. This ordinance or a comprehensive summary thereof shall be published once in a newspaper of general circulation of the city of Livermore within fifteen days after its adoption.

Section 7. Effective Date. This ordinance shall take effect thirty days after its adoption.

The foregoing ordinance was introduced at the meeting of the City Council of the City of Livermore held on January 8, 2018, by the following vote:

AYES: Council Members Carling, Coomber, Spedowski, Vice Mayor Woerner,
Mayor Marchand
NOES: None
ABSENT: None
ABSTAIN: None

The ordinance was adopted at the regular meeting of the City Council held on January 22, 2018, by the following vote:

AYES: Council Members Carling, Spedowski, Vice Mayor Woerner
NOES: None
ABSENT: Council Member Coomber, Mayor Marchand
ABSTAIN: None



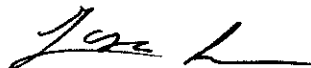
Vice Mayor, City of Livermore

ATTEST:



Susan Neer
City Clerk

APPROVED AS TO FORM:



Jason Alcala
City Attorney

Date: January 23, 2018

Exhibit A – Ordinance (Article II *Campaign Statements*, Chapter 2.14 *Elections*)

Chapter 2.14 ELECTIONS

Sections:

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Article II. Campaign Statements

- 2.14.020 Findings and purpose – Statutory authority.
- 2.14.030 Definitions.
- 2.14.040 Anonymous contributions.
- 2.14.050 Filing of verified campaign expenditures statement.
- 2.14.060 Electronic filing of campaign statements.
- 2.14.070 Enforcement.

Article II. Campaign Statements

2.14.020 Findings and purpose – Statutory authority.

Pursuant to the authority granted to the City Council in Government Code Section 81013 permitting the imposition of additional local requirements to the Political Reform Act of 1974, the City Council hereby finds that it is in the public interest that candidates, and treasurers of committees aiding such candidates, make a full and fair declaration disclosing the persons making contributions, the amounts of such contributions, as well as the persons to whom or on behalf of whom expenditures are made, and the amounts of such expenditures.

2.14.030 Definitions.

The following definitions shall apply to this Chapter, and supplement and add to the corresponding definitions for those terms as they are codified in the Political Reform Act beginning at Government Code Section 82000 et seq.:

- A. “Campaign statement” means an itemized statement prepared in duplicate by each candidate, committee, or the treasurer for each candidate or committee showing, in addition to matters required by law, the following information:

1. The name, complete mailing address, occupation and place of employment, and business address if self-employed, of any person who paid, loaned, contributed or otherwise furnished \$25.00 or more, or its equivalent, to the candidate or to the committee as that term is defined in subsection B below, for the support or defeat of a candidate or for a committee to directly or indirectly for the support or defeat of a candidate's election, or for the qualification, passage or defeat of any measure, and the amount, in detail, of such money or its equivalent that was contributed; and,

2. All expenditures of \$25.00 or more shall be itemized in detail, with the amount and names of persons and/or concerns where the moneys were expended.

The purchase of any tickets cumulatively totaling \$25.00, or more, for any fundraising event, regardless of number purchased, value of each ticket, or frequency of purchase, is subject to the provisions of this section. Likewise, the donation of \$25.00 or more to any "kitty" at any campaign event is subject to the provisions of this section.

This definition also modifies "Contents of a Campaign Statement," codified at Government Code Section 84210 with regard to these additional City requirements.

B. "Committee" means:

1. A committee, person, or group of persons organized for the purpose or charged with the duty of conducting or aiding the election campaign, including fundraising events, for the support or defeat of any candidate for municipal office of the City, or for the support or defeat of a measure under consideration in the City;

2. Any committee, person, or group of persons aiding, directly or indirectly, any candidate, measure, or committee, as defined in subsection (B)(1) of this section, whether or not originally organized for election purposes.

C. "Election period" means that period of time commencing on the fifty-eighth day following a general, municipal or special municipal election in which there were municipal candidates or measures, and extending to 12:00 noon of the fifth day (Thursday) before the next general, municipal or special municipal election in which there are municipal candidates or measures. The "election period" for the offices of Mayor and Council Member is the term related to the specific office involved such that

the election period for an office involving the election of municipal candidate shall be from the fifty-eighth day following a general election for that office until the next election at which that specific office is subject to election

2.14.040 Anonymous contributions.

Notwithstanding the provisions of LMC 2.14.030(A), a candidate or committee shall be permitted to accept and retain anonymous contributions up to an aggregate limit of \$50.00 per reporting period. The total amount of such contributions shall be stated on the candidate's or committee's campaign statement. If the total of anonymous contributions exceeds \$50.00 in any one reporting period, the excess shall be paid to the Administrative Services Director of the City within one business day after the next reporting date.

2.14.050 Filing of verified campaign expenditures statement.

A. To ensure full disclosure, each candidate, committee, or the treasurer for each candidate or committee, shall disclose all expenditures on behalf of the candidate to the candidate or his or her treasurer not later than one business day after the expenditure.

B. Cumulative preliminary campaign statements shall be filed by the following dates by the candidate and each committee:

1. No later than 40 days prior to the election; this report closes 45 days prior to the election;
2. No later than 12 days prior to the election; this report closes 17 days prior to the election;
3. An additional final contributions disclosure statement shall be filed with the City Clerk during regular business hours on the Thursday preceding the election; this report closes at 12:00 noon on the date of filing. This report is in addition to the reports required to be filed under state law in Government Code Section 84200;
4. The final post-election campaign statement will be filed not later than January 31st of the year following the election in accordance with the provisions of the Political Reform Act. In the event that the date of the City election changes, the final

post-election report shall be filed on a semi-annual basis in accordance with the provisions of the Political Reform Act;

5. Filing must be received by the City Clerk, by 5:00 p.m., and is not accomplished by depositing in the mail;

6. Each committee supporting or opposing a measure shall file its expenditure reports in accordance with the provisions of the Political Reform Act.

2.14.060 Electronic filing of campaign statements.

A. Any candidate, committee, treasurer for a candidate or committee, or other person required to file statements, reports or other documents described by Chapter 4 (Campaign Disclosure) of Title 9 (Political Reform) of the California Government Code, and that has received contributions of \$1,000 or more or made expenditures of \$1,000 or more within a calendar year, shall electronically file such statements using procedures established by the City Clerk.

B. Once a candidate, committee, treasurer for a candidate or committee, or other person files a statement, report, or other document electronically pursuant to Subsection A above, all future statements, reports, or other documents on behalf of that filer shall be filed electronically.

C. In any instance in which an original statement, report, or other document must be filed with the California Secretary of State and a copy of that statement, report, or other document is required to be filed with the City Clerk, the filer may, but is not required to, file the copy electronically.

D. If the City Clerk's electronic system is not capable of accepting a particular type of statement, report, or other document, a candidate, committee, treasurer for a candidate or committee, or other person required to file statements shall file that document with the City Clerk in an alternative format designated by the City Clerk.

E. Each elected officer, candidate, and committee shall be responsible for notifying all contributors to the respective candidate, committee, or the treasurer for each candidate or committee that their identity shall be reported.

2.14.070 Enforcement.

A violation of any provision of this chapter shall be considered an infraction under the provisions of LMC 1.16.010. To provide additional enforcement of this chapter:

- A. The City Attorney is authorized to sue for injunctive relief to enjoin violations or compel compliance with the provisions of this chapter; and
 - B. The City Clerk is authorized to apply the provisions of Government Code Section 91013 to violations of this chapter regarding late filings.
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