

Law and Legislation Committee
Campaign Reform Issue
Preliminary Agenda for Discussion
City Council Chambers
May 15, 2001 12:30pm

Committee Members:

Chairperson – Steve Cohn
Council Member – Bonnie Pannell
Council Member – Sandy Sheedy
Council Member – Robbie Waters

Topics of Discussion

- Discussion on Proposed Lobbyist Registration and Regulation Components
- Discussion on Public Financing Components
- Next Meeting Date

Please note the attachments were revised April 23, 2001.

For questions regarding the topics, please call 916-264-6747 or email:
achong@cityofsacramento.org

PROPOSED LOBBYIST REGISTRATION AND REPORTING CODE

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<p style="text-align: center;">LOBBYIST REGISTRATION AND REPORTING CODE.</p>	<p>Contract lobbyist; business or organizational lobbyist; and expenditure lobbyist are to be registered.</p> <p>Registration fees under this ordinance are \$100 annually. In addition to an annual fee, each registrant shall pay \$25 per client for whom lobbying is undertaken for compensation in excess of \$500.</p> <p>A delinquent fee fine of \$25 per day, up to \$500 will also be assessed.</p>
<p style="text-align: center;">DEFINITIONS OF LOBBYISTS</p>	
<p style="text-align: center;">Contract Lobbyist</p>	<p>A person who (a) engages in lobbying on behalf of one or more clients and (b) who has received or has entered into an agreement for compensation of \$3,200 or more in fees during any consecutive 3 month period.</p>
<p style="text-align: center;">Business or Organization Lobbyist</p>	<p>Any business or organization, whose owner(s), officer(s) or employee(s) carry our lobbying on its behalf, in an aggregate amount of 30 hours or more within any 3 consecutive month period.</p>
<p style="text-align: center;">Expenditure Lobbyist</p>	<p>Those persons that make payment or incur expenditures of \$5k or more during any calendar year in connection w/ carrying out public relations, advertising, or similar activities w/ intent of soliciting other persons to communicate directly with any City official in order to attempt to influence legislative or administrative action.</p>
<p style="text-align: center;">REQUIRED INFORMATION ON FILING STATEMENTS</p>	<p>Name, business address, telephone, fax numbers of all persons required to register.</p> <p>Identification of all clients for whom lobbying is undertaken.</p> <p>Name, address, title and telephone number of the individual completing the registration.</p>

PROPOSED LOBBYIST REGISTRATION AND REPORTING CODE

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DISCLOSURE OF ACTIVITY	<p>Initial Report: within 15 calendar days of qualifying as a lobbyist, must file an initial report disclosing the basis for qualification and all lobbying activities that have occurred during the calendar quarter. Information to be included:</p> <ol style="list-style-type: none">(1) Client(s) and compensation received for performing lobbying services.(2) Total amount of payments made for lobbying by employees, including the names and hourly compensation rate of employees.(3) Items of municipal legislative or administrative action the lobbyist is seeking to influence,(4) Activity expenses in excess of \$20 per individual benefited.(5) Campaign contributions by a lobbyist or its client to any City official or City official-elect.(6) Payment received by the lobbyist as a consultant or in any other capacity for services rendered to any City official or City official-elect.(7) Payment received by the lobbyist pursuant to a contract.(8) Other information consistent with the purposes and provisions of the ordinance. <p>Quarterly Reports: not later than 30 calendar days after end of qualifying quarter whether or not lobbying activities occurred during such period. Quarterly reports by April 30, July 30, October 30, and January 30 for prior calendar quarter.</p>
CAMPAIGN CONTRIBUTIONS	<p>Must report all campaign contributions by a lobbyist or a client at the lobbyist's behest, to any City official or City official-elect, identified by name and by office, to a controlled committee, office holder fund or legal expense fund, given personally or through intermediary, totaling \$100 or more, made during the calendar quarter.</p>

PROPOSED PUBLIC FINANCING COMPONENTS

PUBLIC FINANCING

A candidate must file either a statement of acceptance of financing from the Campaign Reform Fund or a statement of rejection of financing from the Campaign Reform Fund.

If a candidate files a statement of rejection of financing, any opposing candidate who has filed a statement of acceptance of financing may rescind their statement and also file a statement of rejection within 10 days of notice.

QUALIFICATION OF MATCHING FUNDS

All of the following conditions must be met:

- Candidate has filed a statement of acceptance of financing and not rescinded statement.
- Candidate has raised and deposited in the candidate's campaign contribution acct. at least \$10,000 consisting of contributions totaling \$250 or less per source other than themselves, spouses or children.
- Candidate is opposed by a candidate who has qualified for payments from the Campaign Reform Fund or who has raised at least \$10,000 of campaign contributions.
- All candidates in a general election who have filed statement of acceptance of financing, have not rescinded statement, shall be entitled to receive payments from the Campaign Reform Fund.
- To determine whether a candidate has raised at least \$10,000 as required, the first \$250 of any contribution that exceeds \$250 shall be counted, the remainder shall not.
- To determine whether a candidate has raised at least \$10,000 as required, a loan, pledge, extension of credit, or non-monetary contribution shall not be counted a contribution.

MAXIMUM CITY MATCH

Council Members:

Dollar match of: **\$30,000** from sources totaling \$250 or less from a single source.

Mayoral Candidates:

Dollar match of: **\$100,000** from sources totaling \$250 or less from a single source.

PROPOSED PUBLIC FINANCING COMPONENTS

PUBLIC FUNDS

OPTION I

During the preparation of the budget for any fiscal year, the City Manager shall estimate amount necessary to provide public funding and meet all other expenses necessary. If the amount estimated by CMO to provide public funding, and all other expenses required by budget are inadequate, City Council shall transfer such additional funds from General Fund Admin contingency Unit to Campaign Reform Budget Unit.

OPTION II

During any fiscal year which contains either a general or primary election period, the City Council shall appropriate from the General Fund and deposit in the Campaign Reform Budget Unit the amounts estimated by the CMO necessary to provide for public funding.

Staff recommends OPTION III:

OPTION III

The public financing issue be placed before the Sacramento Voter. Funds not be appropriated from the General Fund. A two third (2/3) voter approval required for public financing measure with identified source of new special tax revenue.

CANDIDATE'S SURPLUS FUNDS

All surplus funds up to the amount of public funds paid to a candidate remaining after all obligations are met by a candidate shall be returned to the Campaign Reform Fund.

INSUFFICIENT FUNDS – ALLOCATION AND DISBURSEMENT

At the close of the period for filing declarations of candidacy for elective office, the City shall determine the total amount of money in the Campaign Reform Fund and amount necessary to provide participating candidates with matching public funds.

If Campaign Reform Fund is insufficient and monies cannot be transferred to Campaign Reform Fund, the City will allocate between Mayoral and Council races 40% and 60% respectively.

Following the primary election, if Campaign Reform Fund is still insufficient for general election, the City will take remaining amount and allocate 40% and 60% to mayoral and council races respectively.

PROPOSED PUBLIC FINANCING COMPONENTS

SPENDING LIMITATIONS

Council Members:

No Candidate for Council who files a statement of acceptance of financing from the Campaign Reform Fund shall make campaign expenditures in excess of the following amounts:

\$60,000 during primary
\$60,000 during general or special election.

If a candidate who has filed a statement of rejection of financing makes campaign expenditures in excess of the expenditure limitations, such expenditure limitations shall cease to be applicable to all other candidates.

Mayoral Candidates:

No Candidate for Mayor who files a statement of acceptance of financing from the Campaign Reform Fund shall make campaign expenditures in excess of the following amounts:

\$200,000 during primary
\$200,000 during general or special election.

If a candidate who has filed a statement of rejection of financing makes campaign expenditures in excess of the expenditure limitations, such expenditure limitations shall cease to be applicable to all other candidates.

INFLATION PROVISION

Dollar amounts to be escalated according to CPI Index.

BUDGET AND POLICY REVIEW, LAW AND LEGISLATION

DATE: 5/15/2001
TO: BOB THOMAS, CITY MANAGER
BETTY MASUOKA, ASSISTANT CITY MANAGER,
KEN NISHIMOTO, ADMINISTRATIVE SERVICES DIRECTOR
FROM: AARON B. CHONG
RE: PUBLIC FINANCING - CITY MATCHING DOLLARS FOR LAST MAYORAL AND
COUNCIL ELECTION (12/16/99 FILING DEADLINE)

Attached are the filings from December 16, 1999 for Mayoral candidates and candidates for City Councilmembers - Districts 2, 4, 6 and 8.

The City Clerk's office indicated that the filing statements for these five categories are recorded in five 6" binders with no aggregate reporting from any of the candidates. Consequently, Val and Teresa said that it would take at least several days to calculate which candidate(s) would have qualified for public financing based on current staff recommendations.

I have instead roughly calculated the "high side" or maximum that staff recommended public financing WOULD have cost the City. This is a very rough maximum estimate.

Eleven of the fifteen persons qualified by the close of business 12/16/99 as candidates for mayoral office. Assuming that ALL eleven of these individuals qualified for matching funds under staff's proposal, the total maximum amount provided by the City to these eleven candidates would be: \$1.1 million. I have made the assumption that the City would dollar match \$100,000 from sources \$250 or less from a single source.

For District Two, four of the seven persons qualified as candidates. Making the assumption that all four candidates qualified for maximum City match of \$30,000 from sources totaling \$250 or less from a single source, the maximum City match for District Two would be \$120,000.

For District Four, two of the four persons qualified as candidates. Using the same assumption as District Two, the maximum City match for District Four would be \$60,000.

For District Six, only one of the two persons qualified. The maximum City match would be \$30,000.

For District Eight, six of the seven qualified. The maximum City match would be \$150,000.

The maximum City match of public funds in the primary mayoral and council race would have been \$1.46 million based on these rough assumptions.

Further assumptions for the general election would be that there would be a run-off for the mayoral race as well as for districts two, four and six. The maximum City match for the general election would have been \$380,000. The total maximum City match for both the primary and general elections would have been \$1.84 million.

I want to emphasize that these figures are very rough estimates and that the actual City match amount could be much less. Since there are no aggregate reporting of contributions in any of the documents, it could take a week to determine a more precise estimate.

ABC

ATTACHMENTS

12/29/97

FOR THE OFFICE OF - MAYOR

NAME	ADDRESS	PHONE	DREW PAPERS	FILED/QUALIFIED
1) Anderson, Ronald E.	624 41 st [95819]	455-4462	11-17-99	12-10-99 [yes]
2) Barry, Nathan	2327 Capitol Avenue [95816]	492-0487	11-16-99	12-09-99 [yes]
3) Butterfield, Ted	7664 Quinby Way	421-6203	12-09-99	-----
4) Calhoun, Louis D. Jr	1100 Harris Avenue [95838]	395-2878	11-16-99	-----
5) Cohn, Steve	5720 Folsom Blvd [95819]	452-8800	11-17-99	12-10-99 [yes]
6) Estrada, Albert	7939 Deer Lake Drive [95823]	391-3154	11-16-99	12-08-99 [yes]
7) Fargo, Heather	915 I Street #205 [95814]	551-1210	11-29-99	12-10-99 [yes]
8) Genshlea, Joseph Sr.	3525 College Ave [95818]	441-4884	11-16-99	12-09-99 [yes]
9) Hastings, Jim	717 33 rd Street [95816]	443-5076	11-22-99	-----
10) Johns, William			12-10-99	-----
11) Kerth, Rob	4751 J Street [95819]	451-8683	11-15-99	12-10-99 [yes]
12) Padilla, Julie	1010 J Street [95814]	444-8008	11-19-99	12-10-99 [yes]
13) Pinson, Ella B.	2171 20 th Ave [95822]	454-1319	11-16-99	12-15-99 [yes]
14) Reeves, Rowland	1934 Delgado Way [95833]	648-2070	12-06-99	12-10-99 [yes]

15)	South, Sean	1139 Sonoma Way [95815]	615-2411	12-07-99	12-10-99 [no]
14)	St. James, Alex	7609 Tierra Glen [95814]	501-1028	12-01-99	-----
15)	Waters, Robbie	6200 Allenport Way [95831]	422-0943	11-22-99	12-10-99 [yes]

**** CLOSE OF BUSINESS 12-16-99**

FOR THE OFFICE OF - COUNCIL MEMBER DISTRICT TWO

NAME	ADDRESS	PHONE	DREW PAPERS	FILED/QUALIFIED
1) Cummins, James	725 Crosswind Drive	923-5701	11-15-99	11-30-99 withdrew
2) DeLuz, Craig	1015 Arcade Blvd. #9 [95815]	925-3487	11-18-99	12-10-99 [yes]
3) Farrell, Bill	700 Blackwood Street	921-5030	11-30-99	12-10-99 [yes]
4) Johnson, Erthia L.	P.O. Box 38709 [95838]	925-0737	12-13-99	12-15-99 [yes]
5) Rodriguez, Daniel P.	166 Danville Way [95838]	452-8800	11-31-99	-----
6) Sheedy, Sandy	2115 Oxford Street [95815]	646-4550	11-15-99	12-08-99 [yes]
7) Stinson, Brian M.	1157 Acacia Avenue [95815]		12-15-99	

**** CLOSE OF BUSINESS 12-16-99**

FOR THE OFFICE OF - COUNCIL MEMBER DISTRICT FOUR

NAME	ADDRESS	PHONE	DREW PAPERS	FILED/QUALIFIED
1) Anadon, Micheal	1921 25 th Street [95816]		11-15-99	12-10-99 [yes]
2) Davis, Gary	1501 'T' Street #2 [95814]	930-9044	11-30-99	-----
3) Neufeld, Dennis	10 San Mateo Ct.	446-1054	11-29-99	-----
4) Yee, Jimmie	4850 Alta Drive [95822]	264-7004	11-15-99	12-01-99 [yes]

**** CLOSE OF BUSINESS 12-16-99**

FOR THE OFFICE OF - COUNCIL MEMBER DISTRICT SIX

NAME	ADDRESS	PHONE	DREW PAPERS	FILED/QUALIFIED
1) Jones, Dave	4365 58 th Street [95820]		11-19-99	12-10-99 [yes]
2) St. James, Alex	7609 Tierra Glen [95814]	501-1028	11-99-99	-----

**** CLOSE OF BUSINESS 12-16-99**

FOR THE OFFICE OF - COUNCIL MEMBER DISTRICT EIGHT

NAME	ADDRESS	PHONE	DREW PAPERS	FILED/QUALIFIED
1) Butterfield, Ted	7664 Quinby Way	421-6203	12-09-99	-----
2) Clark, Christopher	#3 Afton Court [95823]	429-2882	11-23-99	12-08-99 [yes]
3) Evans, Aaron Dwight	7340 Stockdale St [95822]	424-1220	11-15-99	12-08-99 [yes]
4) Pannell, Bonnie	7510 Mandy Dr [95823]	399-8273	11-15-99	12-09-99 [yes]
5) Shelby, Patricia E.	8531 Dartford Drive [95823]	682-1949	11-24-99	12-09-99 [yes]
6) Thomas, Steve L.	7450 Cosgrove Way	392-5041	11-16-99	12-09-99 [yes]

**** CLOSE OF BUSINESS 12-16-99**