
Item 5

Action

Continued Review of Key Campaign Finance Laws

Executive Summary: This item presents draft language to implement possible amendments discussed at the last meeting and also makes several new recommendations.

Recommended Action: Determine which amendments to approve and recommend for City Council action.

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Continued Review of Key Campaign Finance Laws

A. Introduction

This year, we began a review of key campaign finance laws regarding contributions, disclosure, and the matching funds program. At the last meeting, the commissioners asked the staff to provide language and analysis for several possible amendments to the laws. This report responds to that request.

A copy of the report presented at the last meeting is provided in Attachment A. Possible amendments that were discussed at the last meeting are identified in Section C below, and several new technical amendments are recommended in Section D. Language to implement each possible amendment is identified both in the body of the report and, as a comprehensive document, in Attachment B. We recommend that you vote to decide which amendments to approve.

B. Process

As with all of our policy reviews, the process for this review includes many hours of staff discussion across disciplines within the agency. The staff has analyzed data, assessed public input, evaluated experiences with existing City laws, and examined laws in other jurisdictions.

The staff has also solicited public input via e-mails, website postings, and an interested persons meeting that was held on March 14, 2018. Copies of all written comments received since the April report are provided in Attachment C. Public input continues to be welcome and encouraged.

C. Amendments Previously Discussed

Six possible amendments to the campaign finance laws were identified at the last meeting, and they are discussed in more detail in this section. Five of them affect the matching funds program, and one affects all candidates, whether or not they participate in the matching funds program. To aid the decision-making process, we provide analyses and offer language to implement the amendments. Additional data regarding each of the amendments can also be found in Attachment A.

1 *In-district Contributions*

City candidates who would like to receive public funding for their campaigns must agree to participate in the matching funds program and meet certain qualification criteria. One of the

criteria is receiving 200 qualified contributions from individuals residing in the district (or, for Citywide candidates, the City).

Two alternate amendments were discussed regarding this qualification criteria. The first option would reduce the number of required contributions to 100. All qualification criteria are listed in Los Angeles Municipal Code (LAMC) § 49.7.23(C), and paragraph (2) would need to be amended as follows to implement this change:

Option 1: LAMC § 49.7.23(C)(2)

The candidate receives qualified contributions of at least five dollars each from ~~200~~100 individuals residing within the City or, for City Council candidates, within the council district for which election is sought.

The second option would eliminate the contribution requirement altogether. In that case, LAMC § 49.7.23(C)(2) would be deleted in its entirety:

Option 2: LAMC § 49.7.23(C)(2)

~~*The candidate receives qualified contributions of at least five dollars each from 200 individuals residing within the City or, for City Council candidates, within the council district for which election is sought.*~~

The information that was provided at the last meeting about in-district contributions can be found on pages 3 through 6 of Attachment A. The redlining above can be found on page 8 of Attachment B.

2 Debates

Another existing qualification criteria for matching funds candidates is agreeing to participate in debates with opponents. At the last meeting, it was determined that the criteria should be modified to require candidates to either participate in a debate or hold a town hall meeting.

To implement that change, amendments to both the LAMC and the Los Angeles Administrative Code (LAAC) would be required. The list of qualification criteria is found in LAMC § 49.7.23(C), and paragraph 6 would need to be amended:

LAMC § 49.7.23(C)(6)

~~*The candidate agrees in writing to has either participated in at least one a debate with one or more opponents in the primary election and in at least two debates with the opponent in the general election or conducted a town hall meeting with the public.*~~

The procedural aspects of the matching funds program are housed in the LAAC, and several modifications would also be required there. First, to mirror the existing definition of “debate”, we suggest adding a new paragraph 11 to LAAC § 24.31(b), which would define “town hall meeting”:

LAAC § 24.31(b)(11)

“Town Hall Meeting” means an event that is conducted by a participating candidate, attended by the public, and focused on communicating the candidate’s views.

Amendments to language regarding two forms would also be required. All City candidates are required to declare whether they plan to participate in the matching funds program by filing a “Statement of Acceptance or Rejection of Matching Funds” (Form 20). LAMC § 49.7.22. Participating candidates are required to certify various statements on Form 20, including their understanding of the qualification criteria. The required statement regarding debates would need to be amended:

LAAC § 24.32(a)(3)(B)

The candidate ~~agrees to understand~~ that the candidate must either participate in ~~at least one a~~ debate with one or more opponents ~~in the primary election and at least two debates with the opponent in the general election~~ or conduct a town hall meeting;

A revised version of Form 20 is provided in Attachment D. It incorporates both the proposed amendment (in red type) and updated formatting based on our new website.

Finally, participating candidates must submit a “Matching Funds Request for Qualification / Claim for Payment” (Form 22) to be qualified for the program and to receive matching funds. LAAC §§ 24.32(b)(2), 24.34(a). We recommend expanding the list of information and documentation required for Form 22 to include the date of the debate or town hall meeting and a copy of the announcement or invitation:

LAAC § 24.34(a)(5)

The date the candidate participated in a debate with one or more opponents or conducted a town hall meeting, along with a copy of the invitation to or announcement of the event.

A revised version of Form 22, which incorporates this change (in red type) and requires candidates to provide electronic spreadsheets of the contributions they submit for qualification and payment purposes, is provided in Attachment E.

The information that was provided at the last meeting about the debate requirement can be found on pages 9 and 10 of Attachment A. The redlining above can be found on pages 8, 14, 15, and 17 of Attachment B.

3 Aggregate Contribution Thresholds

A third qualification criteria requires participating candidates to collect minimum amounts of qualified contributions. LAMC § 49.7.23(C)(1)(a). Several possible amendments to this requirement were discussed at the last meeting, including raising the threshold amounts by approximately 50 percent, adjusting the thresholds annually to reflect changes in the Consumer Price Index (CPI), and eliminating the requirement that qualified contributions come from City residents.

To adjust the thresholds by approximately 50 percent and make annual CPI adjustments thereafter, the thresholds must be added to LAMC § 49.7.3, which specifies the formula for CPI adjustments. The CPI formula was adopted in 2012, and the amounts that are subject to adjustment were increased at that time to reflect CPI changes since 1999, the year the Los Angeles City Charter (Charter) was readopted by the voters. The formula then adjusts those base amounts to reflect CPI changes since December 2011, the most recent year of data from the Bureau of Labor Statistics at the time the CPI formula was adopted. *See* LAMC § 49.7.3(B)(2).

The table below identifies the base amounts that would have been adopted in 2012 if the aggregate contribution thresholds had been included among the amounts that are adjusted for CPI. Those base amounts result in increases of slightly over 50 percent when the CPI formula is applied for 2018.

AGGREGATE CONTRIBUTION THRESHOLDS FOR QUALIFICATION				
Base Amounts Required for 50% Increase				
Office	Current	2012 Base Amount	2018 CPI Adjustment	Percent Increase (current to 2018)
City Council	\$25,000	\$34,000	\$38,000	52
City Attorney / Controller	\$75,000	\$101,000	\$113,000	51
Mayor	\$150,000	\$202,000	\$226,000	51

Percentages are rounded.

Based on the dollar value of contributions reported for the 2013 and 2017 elections, all Citywide candidates who received matching funds would have qualified even if the thresholds had been raised to the 2018 CPI adjusted numbers above. In other words, the higher thresholds would not have excluded any qualified Citywide candidates. Three City Council candidates in 2013 and two City Council candidates in 2017 would not have qualified if the thresholds had been raised to the 2018 numbers. *See* Attachment A, p. 8.

To implement an increase in the thresholds and annual CPI adjustments, LAMC § 49.7.23(C)(1)(a) must be modified, and we suggest the language on the next page. We also suggest clarifying that the maximum amounts that may be used toward the thresholds apply per contributor, rather than per contribution. Finally, the CPI adjustments and the base amounts would need to be added to LAMC § 49.7.3(A) and (B). *See* Attachment B, pp. 2, 3.

LAMC § 49.7.23(C)(1)(a)

The contributions meet or exceed the following aggregate amounts:

- i. ~~\$25,000~~34,000 for City Council candidates;
- ii. ~~\$75,000~~101,000 for City Attorney and Controller candidates;
- iii. ~~\$150,000~~202,000 for Mayoral candidates.

The first ~~\$500~~of 700 from each ~~contribution-contributor~~ counts toward the threshold for Citywide candidates, and the first ~~\$250~~of 300 from each ~~contribution-contributor~~ counts toward the threshold for City Council candidates. Loans, pledges, and non-monetary contributions do not count toward the thresholds. The thresholds and the per-contributor limits are subject to adjustment under Section 49.7.3.

One other possible modification was discussed with regard to the aggregate contribution thresholds, and that is amending the definition of “qualified contribution” to permit participating candidates to use a contribution from any individual, regardless of geography, to qualify for and receive matching funds.

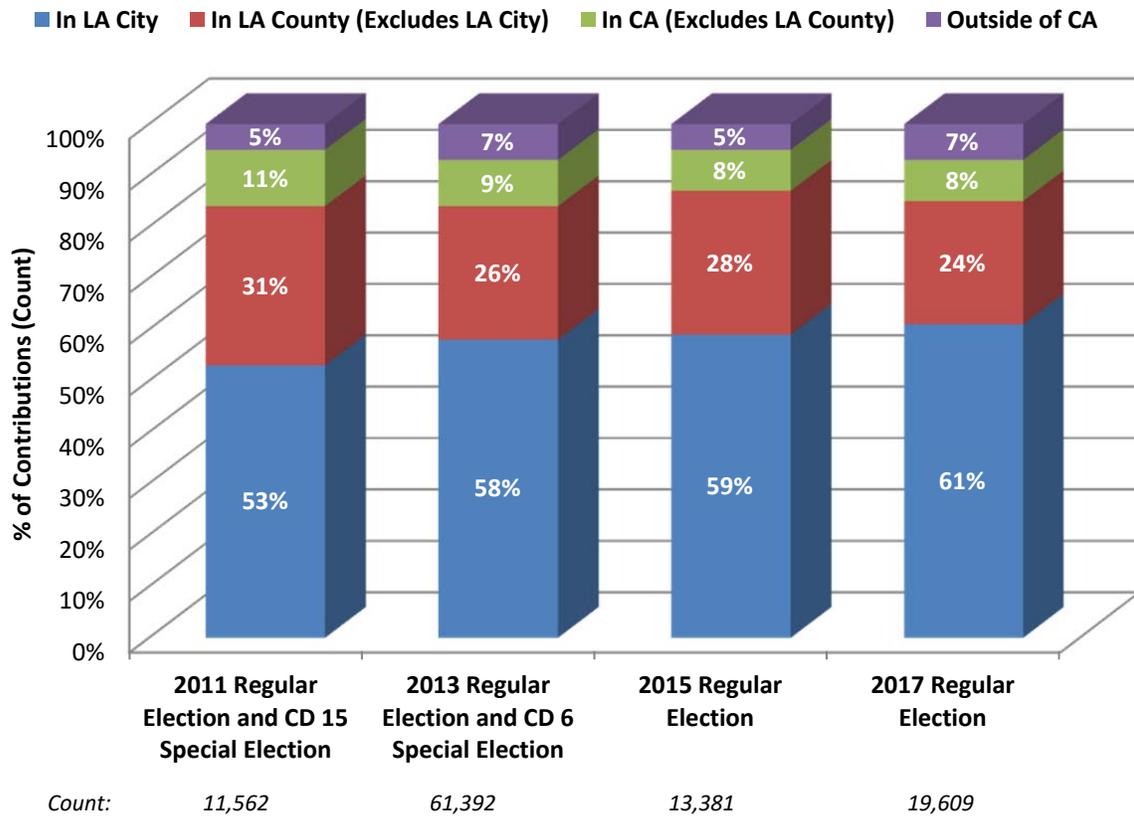
The definition of “qualified contribution” contains a list of requirements that must apply to a contribution that is used for matching funds purposes. Permitting candidates to use contributions from any individual would require an amendment to the requirement that currently requires a qualified contribution to come from an individual residing in the City:

LAMC § 49.7.2(T)(4)

The contribution was received from an individual ~~residing within the City.~~

When this possible amendment was discussed at the last meeting, the commissioners requested data about the geography of City contributors. The chart on the next page identifies the geographic distribution of all contributions in each City election since 2011.

2011-2017 Elections Geographic Distribution of Contributions (Count)



The total number of contributions to all candidates in all 2011 elections was 11,562. In 2013, an election year with open seats in all three Citywide offices, the number of contributions jumped to 61,392. In the past two elections, the total number of contributions decreased to 13,381 in 2015 and 19,609 in 2017.

The requirement that a “qualified contribution” come from a City resident first took effect with the 2015 elections. And, while there has been a modest increase in the number of contributions that have come from within the City since then (one to two percent per election), the percentages have remained fairly consistent. The greatest increase in contributions from within the City since 2011 (five percent) actually occurred with the 2013 elections, prior to the in-City requirement.

Since 2011, contributions from within the City have ranged from 53 to 61 percent. Contributions from within Los Angeles County (including the City) have been even more consistent, ranging from 84 to 87 percent. Contributions from outside the county have not exceeded 16 percent since 2011, and those from outside the state have been either five percent or, in years with Citywide seats on the ballot, seven percent.

We note that the data regarding the geographic distribution of contributions does not indicate the ease or difficulty that participating candidates may have in reaching the aggregate contribution thresholds. Lifting the geographic limitation certainly creates more possible contribution sources, but other factors also affect a person's decision to make a contribution.

The information that was provided at the last meeting about the aggregate contribution thresholds can be found on pages 6 through 8 of Attachment A. The redlining in this section can also be found on pages 1 and 7 of Attachment B.

4 Signature Requirement

Matching funds are paid to qualified candidates at rates that are based on how many signatures the candidate gathers from registered voters during the nominating petition process (the process by which candidates qualify to appear on the ballot).

Candidates who collect 500 valid signatures receive matching funds at a rate of one public dollar for every qualified private dollar (1:1) in both the primary election and the general election. Candidates who collect 1,000 valid signatures receive matching funds at a rate of two public dollars for every qualified private dollar (2:1) in the primary election and four public dollars for every qualified private dollar (4:1) in the general election.

Candidates may secure the higher rates of match in two ways. They may obtain 1,000 signatures on nominating petitions, or they may obtain 500 signatures on nominating petitions and 500 signatures on Form 21 ("Matching Funds Additional Signatures"). The City Clerk's office verifies the validity of all signatures on both nominating petitions and Form 21.

At the last meeting, the possibility of eliminating the signature requirement and providing the higher match rates to all qualified candidates was discussed. To implement that change, LAMC § 49.7.27 would need to be amended as follows:

LAMC § 49.7.27(B)

A qualified contribution will be matched with public funds at the following rates:

- ~~1.—For participating candidates who have qualified to receive matching funds but have not met the criteria in Subsection C, one dollar in matching funds will be paid for each dollar in qualified contributions in both the primary election and the general election.~~
- ~~21.—For participating candidates who have qualified to receive matching funds and have met the criteria in Subsection C In a primary election, two dollars in matching funds will be paid for each dollar in qualified contributions ~~for the primary election and four dollars in matching funds will be paid for each dollar in qualified contributions for the general election.~~~~

~~32.~~ In a general election, each participating candidate will receive a grant of one-fifth of the amount specified in Section 49.7.29(B) upon the later of being certified to appear on the general election ballot or qualifying to receive matching funds. The remaining four-fifths will be paid at the rate ~~that applies under either paragraph 1 or paragraph 2 of~~ four dollars in matching funds for each dollar in qualified contributions.

LAMC § 49.7.27(C)

~~Participating candidates who have qualified to receive matching funds are eligible for the rate of match in Subsection B(2) if they submit to the City Clerk either of the following by the last date to submit nominating petitions for the primary election:~~

- ~~1. For candidates choosing not to pay a filing fee pursuant to Section 310 of the City Elections Code, a nominating petition that includes the signatures of at least 1,000 qualified registered voters; or~~
- ~~2. For candidates choosing to pay a filing fee pursuant to Section 310 of the City Elections Code, a nominating petition that includes the signatures of at least 500 qualified registered voters and a Matching Funds Additional Signatures Form, prescribed by the Ethics Commission, that includes the signatures of at least 500 and no more than 1,000 additional qualified registered voters of the City for Citywide candidates, or of the district for Council candidates.~~
 - ~~a. The City Clerk shall review and verify the signatures on the Matching Funds Additional Signatures Form using the same process that is used for reviewing and verifying the signatures on nominating petitions, and the City Clerk's process for nominating petitions shall not be altered by this requirement. The City Clerk shall only review the signatures on a candidate's Matching Funds Additional Signatures Form after the City Clerk has determined that the candidate has qualified for the ballot.~~
 - ~~b. Extra signatures that are submitted on a nominating petition but are not required for qualification for the ballot shall not be counted for purposes of determining a candidate's qualification for the rate of match in Subsection B(2).~~
 - ~~c. The signatures on the Matching Funds Additional Signatures Form that are used to qualify for the rate of match in Subsection B(2) must be distinct from the signatures on the nominating petition that are used to qualify for the ballot, so that the candidate obtains signatures from at least 1,000 qualified registered voters of the City for Citywide candidates, or of the district for Council candidates.~~

~~d. The City Clerk's review of the Matching Funds Additional Signatures Form shall be completed by the last day of the City Clerk's review period for nominating petitions.~~

~~Within one business day after the close of the review period for nominating petitions, the City Clerk shall notify the Ethics Commission of all candidates who have been verified as having submitted the signatures of at least 1,000 qualified registered voters.~~

Through the signature verification process, this requirement affects City Clerk resources. We invited the City Clerk's office to attend the meeting, and Tom Reindel will be available to answer questions about the impact on their office.

If the signature requirement is maintained, Form 21 should be updated to incorporate our new formatting. A revised version is provided in Attachment F.

The information that was provided at the last meeting about the signature requirement can be found on pages 11 through 14 of Attachment A. The redlining above can be found on pages 10 and 11 of Attachment B.

5 *Maximum Funding*

The matching funds program caps the amount of public funding that a qualified candidate may receive. The maximums are based on the type of election and the office the candidate seeks. At the last meeting, the possibility of raising the maximums by approximately 50 percent and adjusting them annually for CPI was discussed. A 50-percent increase would mirror recommendations the Ethics Commission made in 2014.

An increase to the maximums would require amendments similar to those discussed above for the qualification criteria of aggregate contribution thresholds (see page 4). The table on the next page identifies the base amounts that would have been adopted if the maximums had been included in 2012 among the amounts that are adjusted for CPI. Those base amounts result in increases of 51 percent when the CPI formula is applied for 2018.

MAXIMUM MATCHING FUNDS					
Base Amounts Required for 50% Increase					
Office	Election	Current	2012 Base Amount	2018 CPI Adjustment	Percent Increase <small>(current to 2018)</small>
City Council	Primary	\$100,000	\$135,000	\$151,000	51
	General	\$125,000	\$169,000	\$189,000	51
Controller	Primary	\$267,000	\$360,000	\$403,000	51
	General	\$300,000	\$405,000	\$453,000	51
City Attorney	Primary	\$300,000	\$405,000	\$453,000	51
	General	\$350,000	\$472,000	\$528,000	51
Mayor	Primary	\$667,000	\$900,000	\$1,007,000	51
	General	\$800,000	\$1,079,000	\$1,208,000	51

Percentages are rounded.

We believe the Public Matching Funds Trust Fund is sufficient to accommodate these increased maximums, as well as annual CPI adjustments. Based on historic qualification and payout rates, and assuming an annual CPI increase of 2.5 percent for both the maximums and the trust fund appropriations, we project that the trust fund balance will be over \$6.5 million following the 2026 elections.

If, for an unforeseen reason, the trust fund balance becomes too low to fully fund all qualified candidates, the law provides a safety net. The Ethics Commission is required to assess the trust fund balance prior to each election, and the maximums must be reduced on a pro rata basis if the trust fund is insufficient to provide the codified maximums. *See* LAAC § 24.33.

To implement an increase in the maximums and annual CPI adjustments, LAMC § 49.7.29 must be modified, and we suggest the language below. The CPI adjustments and the base amounts would also need to be added to LAMC § 49.7.3(A) and (B). *See* Attachment B, pp. 2, 3.

LAMC § 49.7.29

A. *The following maximum amounts may be paid to qualified participating candidates in a primary election:*

1. ~~\$100,000~~135,000 for City Council candidates;
2. ~~\$267,000~~360,000 for Controller candidates;
3. ~~\$300,000~~405,000 for City Attorney candidates; and
4. ~~\$667,000~~900,000 for Mayoral candidates.

B. *The following maximum amounts may be paid to qualified participating candidates in a general election:*

1. ~~\$125,000~~169,000 for City Council candidates;
2. ~~\$300,000~~405,000 for Controller candidates;

3. ~~\$350,000~~472,000 for City Attorney candidates; and
4. ~~\$800,000~~1,079,000 for Mayoral candidates.

C. The maximum amounts are subject to adjustment under Section 49.7.3.

The information that was provided at the last meeting about maximum matching funds can be found on pages 15 through 18 of Attachment A. The redlining above can be found on pages 12 and 13 of Attachment B.

6 Contributor Certification

All candidates are currently required to give contributors the opportunity to certify that their contributions are truly their own, do not exceed a contribution limit, and are not prohibited. LAMC § 49.7.16(B). Candidates who participate in the matching funds program are required to obtain a contributor certification for each contribution used for qualification or claim purposes. That certification must state that the information the contributor provided about herself (name, address, occupation, and employer or business) is correct and that the address provided is the contributor's residence address. LAAC § 24.34(a)(7)(B)(ii).

At the last meeting, the possibility of combining the two certifications and requiring that both be made under penalty of perjury was discussed. To implement that change, LAMC § 49.7.16 would need to be amended to specify the certification requirements, and we suggest the language below.

LAMC § 49.7.16

- A. A contribution may not be deposited into the checking account of a City controlled committee unless the following is on file in the committee's records:
 1. For individuals, the contributor's name, address, occupation, ~~and~~ employer (or name of business if self-employed), and certification in Subsection B.
 2. For non-individuals, the contributor's name ~~and~~, address, ~~and~~ certification in Subsection B.
- B. ~~All fundraising and contribution forms and the electronic equivalent A contributor shall allow contributors the option to~~ certify the following information under penalty of perjury:
 1. The contribution is not being made under a false name, is not being made under another person's name, and has not been and will not be reimbursed;
 2. The contribution does not ~~exceed~~cause the contributor's aggregate to cumulatively or in the aggregate exceed the applicable

contribution limit in ~~Charter Section 470(c)(6)~~ Section 49.7.3(B)(2)(a), Section 49.7.3(B)(2)(b), Section 49.7.19(F), or Section 49.7.20(B)(3);

3. The contribution is not from a person who is prohibited from contributing, including the following:
 - a. A lobbyist or lobbying firm who is prohibited from contributing under Charter Section 470(c)(11); and
 - b. A bidder, sub-contractor, principal, or underwriting firm that is prohibited from contributing under Charter Section 470(c)(12) or Charter Section 609(e).

4. Whether the contribution is being made with business funds or an individual's personal funds.

5. For individuals, whether the address provided is the contributor's residence address.

6. The information provided regarding address, occupation, and employer is correct.

C. Obtaining the certification in Subsection B is evidence that the committee that received the contribution acted in good faith.

In addition, LAAC § 24.34(a)(7)(B)(ii) would need to be amended to identify the certification above as required documentation for each contribution that is submitted with a Form 22. We suggest the following language.

LAAC § 24.34(a)(7)(B)(ii)

~~The contributor's certification that the information provided under paragraph (i) is correct and that the address provided is the contributor's residence address~~ required by Municipal Code Section 49.7.16(B);

A draft of the proposed contributor certification is provided in Attachment G. The required elements of the certification are identified in the bottom two-thirds of the draft. The top portion was included to demonstrate how the certification could be incorporated into the types of contributor forms that are commonly used by campaigns. The required signature may be provided electronically.

The draft certification was distributed to campaign treasurers and fundraisers for comment on May 23, 2018. We received one comment in response, and it supports the proposed certification. See Attachment C. It also suggest modifications, which have been incorporated into the draft.

The information that was provided at the last meeting about contributor certifications can be found on pages 22 and 23 of Attachment A. The redlining above can be found on pages 6 and 17 of Attachment B.

D. Amendments Not Previously Discussed

In addition to the amendments discussed above, we also recommend additional amendments to maintain consistency, address a Supreme Court decision regarding aggregate per-person contribution limits, and make technical updates to the laws affected by this review.

1. Maximum Match Per Contributor

Just as there is a limit on the contribution amount that may be used for the aggregate contribution thresholds (see pages 4 and 5 above), there is also a limit on the contribution amount that may be matched. *See* LAMC §§ 49.7.23(C)(1)(a), 49.7.27(A). Both maximums are currently \$250 per contributor for City Council candidates and \$500 per contributor for Citywide candidates.

We recommend maintaining consistency between the two sets of maximums. Therefore, if the maximum per-contributor amount that may be used toward the aggregate contribution thresholds is adjusted for CPI, we recommend doing the same for the maximum per-contributor amount that may be matched. To implement that change, we recommend amending LAMC § 49.7.27(A) as noted below, clarifying that the maximums apply per contributor, and adding the maximums to LAMC § 49.7.3.

LAMC § 49.7.27(A)

~~A qualified~~Qualified contributions will be matched with public funds up to the following amounts:

1. ~~\$250~~300 per ~~qualified contribution~~contributor for City Council candidates;
2. ~~\$500~~700 per ~~qualified contribution~~contributor for Citywide candidates.

These amounts are subject to adjustment under Section 49.7.3.

The redlining above can be found on page 10 of Attachment B. The updates to LAMC § 49.7.3 can be found on pages 2, 4, and 5 of Attachment B.

2. Aggregate Per-person Contribution Limit

The City Charter contains a provision that limits the amount of money that a single contributor may give to all candidates in a single election. *See* Los Angeles City Charter (Charter) § 470(c)(6). The United States Supreme Court held such a provision unconstitutional in *McCutcheon v. Federal Election Commission*, 572 U.S. ___, 134 S.Ct. 1434 (2014). In response to the *McCutcheon* decision, the Ethics Commission adopted a resolution on April 17, 2014, suspending enforcement of that unconstitutional Charter section.

In 2012, prior to the *McCutcheon* decision, the aggregate per-person contribution limit was included among the campaign finance amounts that are adjusted annually for CPI. To

further comply with the Supreme Court’s ruling and eliminate any confusion that may arise from the aggregate per-person contribution limit remaining in the Campaign Finance Ordinance, we recommend eliminating LAMC §§ 49.7.3(A)(3) and (B)(2)(c), which incorporate Charter § 470(c)(6). These changes can be found on pages 1 and 3 of Attachment B.

3. Technical Updates

In every policy review, the drafting stage reveals language that should be clarified or streamlined. In this review, we recommend three technical updates. First, we recommend streamlining the language in LAMC § 49.7.2(T) that specifies when a qualified contribution must be received. The redlining below can be found on page 1 of Attachment B.

LAMC § 49.7.2(T)(6)

The contribution was received no later than three months after the date of the election, no earlier than the opening of the applicable fundraising window in Section 49.7.10, and no earlier than the ~~following dates: on~~ which the candidate filed a Declaration of Intent to Solicit and Receive Contributions for that election.

~~a. For primary elections, the date on which the candidate filed a Declaration of Intent to Solicit and Receive Contributions.~~

~~b. For general elections, the date on which the candidate was permitted to begin soliciting and accepting contributions.~~

The second technical amendment relates to Form 22. City law requires participating candidates to identify all contributions that they submit to qualify for or receive matching funds by listing them on Form 22 in alphabetical order by the contributor’s last name. *See* LAAC § 24.32(b)(2)(A)(iii); Attachment E. In addition, the law currently states that the contributions used for the in-district contribution requirement must be listed separately from other contributions. *Id.* This is an unnecessary requirement, particularly in light of the fact that the electronic spreadsheet for contributions includes a column for indicating whether the contribution is in-district. Furthermore, if the in-district contribution requirement is eliminated, identifying such contributions will become moot. For these reasons, we recommend updating the documentation requirement as noted below and on page 16 of Attachment B.

LAAC § 24.32(b)(2)(A)(iii)

The information in Sections 24.34(a)(7)(B)(i)–(iv) for each qualified contribution used to comply with Municipal Code Section 49.7.23(C)(1)(a) and 49.7.23(C)(2). Contributions must be listed alphabetically by the last names of the contributors, ~~with contributions required under paragraph (C)~~ alphabetized separately;

Finally, we recommend renumbering as necessary to add and eliminate sections. That renumbering is noted throughout Attachment B with redlining.

E. Next Steps

We recommend that you vote to determine which amendments, if any, should be approved. Ordinance changes require City Council approval to become effective. Therefore, any amendments that are approved will be transmitted, along with specific language to implement them, to the City Council for action.

Attachments:

- A Review of Key Campaign Finance Laws (April 24, 2018), without attachments*
- B Recommended language (redlined)*
- C Written public comments since April 24, 2018*
- D Recommended Form 20 (Matching Funds Acceptance or Rejection)*
- E Recommended Form 22 (Matching Funds Request for Qualification / Claim for Payment)*
- F Recommended Form 21 (Matching Funds Additional Signatures)*
- G Recommended contributor certification*

Review of Key Campaign Finance Laws

A. Introduction

At the last meeting, we began a review of key campaign finance laws by providing an overview of the current laws regarding contributions, disclosure, and the matching funds program. This review was prompted by several factors, including the 2020 transition to elections held in even-numbered years, the availability of new matching funds data from the 2015 and 2017 elections, and several City Council motions introduced last year.

A copy of the report presented at the last meeting is provided in Attachment A (The document entitled *2017 Regular City Election Limits*, which was attached to that report, has changed since the last meeting, and the new limits are provided in Attachment B). This report builds on the previous presentation by initiating a substantive discussion about potential updates to the campaign finance laws. More detail is provided below in sections C and D. We recommend that you determine whether and how the laws should be updated at this time.

B. Process

As with all of our policy reviews, the process for this review includes many hours of staff discussion across several of the disciplines within the agency. The staff has analyzed data, assessed public input, evaluated experiences with existing City laws, and examined laws in other jurisdictions.

The staff has also solicited public input via e-mail, website postings, and an interested persons meeting that was held on March 14, 2018. Copies of all written comments received as of the date of this report are provided in Attachment C. Public input continues to be welcome throughout the course of this review.

C. Discussion of Matching Funds

In this section, we provide details regarding the campaign finance laws at issue in this review. To aid the decision-making process, we state the question to be answered for each issue, note public input (including suggestions provided through City Council motions), provide staff analyses, offer data from City elections, and suggest things to consider during the discussion.

There are eight decision points (each marked with a ) , which include the following:

Matching Funds Qualification

- Should the 200 in-district contribution criteria be modified (page 3)?
- Should the aggregate contribution threshold be modified (page 6)?
- Should the debate criteria be modified (page 9)?

Matching Funds Rates and Maximums

- Should the match rates be modified (page 11)?
- Should the per-candidate maximums be modified (page 15)?

Contributions and Disclosure

- Should contributions from developers be banned (page 19)?
- Should the contributor certification be modified (page 22)?
- Should disclosure regarding contributor type be modified (page 23)?

MATCHING FUNDS QUALIFICATION

The matching funds program is available to qualified City candidates and provides limited public funds to assist them in their campaigns for elected office. The program first became effective with the 1993 elections, following adoption of a voter-approved ballot measure. In 2007, elections for Los Angeles Unified School District Board of Education (LAUSD) became subject to Ethics Commission regulation, but the matching funds program was not included in the ballot measure. Additional information about the matching funds program begins on page 5 of Attachment A.

To receive public funding, City candidates must agree to participate in the program and must meet all of the following qualification criteria (*see* Los Angeles Municipal Code (LAMC) § 49.7.23):

1. Qualify to appear on the **ballot**.
2. Be **opposed** by at least one other person who also qualifies to appear on the ballot.
3. Attend an Ethics Commission **training** (applies to both the candidate and the candidate's treasurer).
4. Agree to participate in **debates**.
5. File all required **campaign disclosure statements**.
6. Use public funds only in **lawful** ways.
7. Receive at least **200 qualifying contributions** of \$5 or more from individuals who reside in the district (for City Council candidates) or the City (for Citywide candidates).
8. Receive threshold amounts of **aggregate qualifying contributions** from individuals who reside in the City:
 - \$25,000 for City Council candidates.
 - \$75,000 for City Attorney and Controller candidates.
 - \$150,000 for Mayoral candidates.

Up to \$250 per contributor counts toward the City Council threshold, and up to \$500 per contributor counts toward the Citywide thresholds.

9. Limit the use of **personal funds** to a specific amount that is adjusted annually to reflect changes in the Consumer Price Index (CPI): currently \$34,800 for City Council candidates and \$139,400 for Citywide candidates.
10. Limit **overall campaign spending** to specific amounts, which are based on office sought and type of election and are adjusted annually for CPI. The expenditure ceilings are lifted and no longer apply when certain amounts of independent spending or spending by non-participating candidates occurs.

EXPENDITURE CEILINGS 2018		
Office	Primary Election	General Election
City Council	\$537,000	\$448,000
Controller	\$1,253,000	\$940,000
City Attorney	\$1,409,000	\$1,096,000
Mayor	\$3,132,000	\$2,504,000

The qualification criteria are designed to help safeguard the public trust and ensure that the public’s money is spent prudently. Candidates who meet the qualification criteria have stated that they will comply with the rules of the matching funds program and have demonstrated that they possess a minimum level of public support.

 *Should the 200 in-district contribution criteria be modified?*

The requirement that candidates receive 200 contributions from individuals residing in the district (or, for Citywide candidates, the City) became effective with the 2015 elections. The requirement was first suggested by advocacy groups, with the hope of encouraging candidates to communicate directly with constituents and reinforcing the concept that small contributions have a greater value in the matching funds program.

Public Input

- Eliminate this requirement or lower the number of required contributions.
- The requirement is burdensome and requires too much work for candidates.
- The requirement discourages candidate participation.

Staff Analysis

- Direct communication with constituents may encourage voter participation.
- The requirement may help candidates focus on in-district interests.
- Significantly more staff resources are required to review each claim and verify each contributor’s address.

Things to Consider

- Can the requirement be viewed as more beneficial for candidates who have name recognition and more difficult for candidates who are just starting out?
- Is the burden of the requirement such that it discourages participation?
- Does the requirement discourage participation?

City Data

- Council File No. 15-1088-S1 is a motion that proposes a review of the matching funds program. See Attachment A, page 43.
- Since the 2011 elections, the percentage of small matching funds contributions has increased, while the percentage of large contributions has decreased.

VALUE OF CONTRIBUTIONS SUBMITTED BY MATCHING FUNDS CANDIDATES			
<i>Election</i>	<i>\$100 or less</i>	<i>\$250 or less</i>	<i>\$251 or more</i>
2011	34%	62%	38%
2013	47%	65%	35%
2015	58%	75%	24%
2017	58%	74%	25%

Percentages are rounded.

- Since the 2011 elections, the number of contributions submitted and the amount of staff time required to verify each claim for matching funds have both increased dramatically. For example, from 2011 to 2015 (two elections in which the same seats were on the ballot), the total number of contributions submitted increased by 166 percent, the time required to verify an average claim increased by 814 percent, and the time required to verify all claims increased by 967 percent. This increase results because more small contributions are being submitted and because it takes more time to verify individual addresses.

MATCHING FUNDS CLAIMS						
<i>Election</i>	<i>Total Contributions Submitted</i>	<i>Approx. Time To Verify Average Contribution</i>	<i>Total Claims Submitted</i>	<i>Average Contributions Per Claim</i>	<i>Approx. Time to Verify Average Claim</i>	<i>Approx. Time to Verify All Claims</i>
2011	2,706	2 minutes	50	54	1.8 hours	90 hours
2013	21,059	2 minutes	155	137	4.6 hours	702 hours
2015	7,192	8 minutes	77	96	12.8 hours	960 hours
2017	7,640	8 minutes	65	118	15.7 hours	1,019 hours

A claim may be either an original or an amendment. Average and approximate numbers are rounded.

- Since the 2011 elections, the percentage of contributions coming from City residents has increased.

CONTRIBUTIONS IN CITY V. OUTSIDE CITY				
<i>Election</i>	<i>Total Contributions</i>	<i>Count Contributions Outside City</i>	<i>Count Contributions In City</i>	<i>Percent Contributions In City</i>
2011	11,562	5,286	6,276	54%
2013*	61,392	26,016	35,376	58%
2015	13,381	5,224	8,157	61%
2017**	19,609	7,320	12,289	63%

Reflects itemized contributions as reported. Percentages are rounded.

** Includes a special election.*

*** Includes non-monetary contributions.*

- Since the 2011 elections, voter turnout rates have remained largely consistent. Higher voter turnout rates tend to correspond with elections in which Citywide offices are on the ballot.

VOTER TURNOUT RATES		
<i>Election</i>	<i>City Council Seats</i>	<i>Citywide Seats</i>
2011	15%	n/a
2013	20%	21%
2015	12%	n/a
2017	19%	21%

Percentages are rounded.

Other Jurisdictions

- This report compares public financing programs in a variety of cities, including five California cities that have matching funds programs: Berkeley, Los Angeles, Long Beach, Sacramento (not funded since 2011), and San Francisco. Oakland has a public financing program that reimburses qualified campaign expenditures made by city council candidates. In addition, New York City and Washington DC have matching funds programs. Seattle’s program allows residents to give up to \$100 in vouchers to candidates, which are redeemed through the city. The table on the following page provides more details about each of the jurisdictions reviewed for this report.

KEY CITIES WITH PUBLIC FINANCING PROGRAMS			
<i>City</i>	<i>Population of City</i>	<i>Number of Council or Supervisory Districts</i>	<i>Approximate Population of Council or Supervisory District</i>
Los Angeles	3,976,000	15	265,067
Berkeley	121,240	8	15,155
Long Beach	470,130	9	52,237
Oakland	420,005	7 *	60,001
Sacramento [†]	495,234	8	61,904
San Francisco	870,887	11	79,172
New York City	8,537,6781	51	167,405
Seattle	704,352	7 **	88,044
Washington DC	693,972	8 ***	86,747

* There is also one at-large city council position.

** There are also two at-large city council positions.

*** Referred to as wards.

† Program has not been funded since 2011.

- No other California city requires in-district contributions, but several require in-city contributions. For example, San Francisco requires mayoral candidates to collect 500 (non-incumbent) or 750 (incumbent) contributions from city residents, and it requires board of supervisor candidates to collect 100 (non-incumbent) or 150 (incumbent) contributions from city residents. Berkeley requires candidates to obtain 30 contributions from city residents. In Oakland, only contributions from city residents count for qualification.

- New York City requires its city council candidates to receive at least 75 in-district contributions and its borough president candidates to receive at least 100 in-borough contributions. In addition, its mayoral candidates must receive at least 1,000 contributions from city residents, and its other citywide candidates must receive at least 500 contributions from city residents.
- Seattle returned to a public financing program with the 2017 elections. In the new voucher program, city council candidates must receive 150 contributions from city residents, and 75 must be in-district. City attorney candidates must also receive 150 contributions from city residents, and at-large city council candidates must receive 400 contributions from city residents.
- Washington DC's new program will first be effective for the 2020 elections. Contributions from district residents (equivalent to city residents) are required and range from 250 for a city council candidate to 1,000 for a mayoral candidate.

Should the aggregate contribution threshold be modified?

The requirement that candidates receive a threshold amount of contributions has existed since the inception of the matching funds program. The requirement is designed to justify giving public funds to a candidate by requiring the candidate to establish a minimum level of financial support.

Prior to the 2013 elections, the requirement could be satisfied with any contribution from any individual or non-individual, without geographic limitation. For the 2013 elections, the requirement could be satisfied only with contributions received from individuals. Beginning with the 2015 elections, the criteria was further limited, and only contributions received from individuals residing within the City now count toward the qualification threshold.

Public Input

- Lower the threshold. For City Council candidates, \$20,000 seems more appropriate.
- The requirement is burdensome. This is especially true considering the move to even-year elections, when City candidates will be competing with state and federal candidates for limited resources.

Staff Analysis

- The aggregate threshold establishes that a candidate has a base of support within the community.
- A high threshold can exclude candidates who do not yet have broad support, thereby favoring candidates with name recognition.
- A lower threshold may make qualification easier.
- The threshold has not been adjusted for CPI since the inception of the program.

Things to Consider

- Is the requirement more beneficial for candidates who have name recognition and more difficult for candidates who are just starting out?
- Does the requirement discourage participation?
- Would a lower threshold help candidates as we transition to elections held in even years?
- Should we experience an even-year election before determining whether changes should be made?

City Data

- Council File No. 15-1088-S1 is a motion that proposes a review of the matching funds program. See Attachment A, page 43.
- If the aggregate contribution threshold were adjusted to reflect CPI, the thresholds would now be approximately 75 percent higher (see bls.gov/data/inflation_calculator.htm).

AGGREGATE CONTRIBUTION THRESHOLDS		
Office	Current	CPI Adjusted (1993 to 2018)
City Council	\$25,000	\$43,751
City Attorney / Controller	\$75,000	\$131,252
Mayor	\$150,000	\$262,504

- The buying power of the dollar has decreased by approximately 42 percent since 1993, when the matching funds program first took effect. Today, \$25,000 has the same buying power as \$14,386 did in 1993, \$75,000 has the same buying powers as \$43,157 in 1993, and \$150,000 has the same buying power of \$86,314 in 1993.
- Since the 2011 elections, matching funds participation rates have remained fairly constant overall but have increased among candidates who qualified to appear on the ballot.

MATCHING FUNDS PARTICIPATION RATES						
Election	Total Number of Candidates	Number of Participating Candidates	Percent of Participating Candidates	Number of Candidates Qualified for Ballot	Number of Participating Candidates Qualified for Ballot	Percent of Participating Candidates Qualified for Ballot
2011	51	38	75%	26	18	69%
2013	116	76	66%	58	50	86%
2015	54	42	78%	31	28	90%
2017	124	92	74%	56	49	88%

Percentages are rounded.

- Since the 2011 elections, qualification rates among participating candidates have ranged from 10 percent to 29 percent of all candidates and from 23 percent to 59 percent of candidates who qualified for the ballot.

MATCHING FUNDS QUALIFICATION RATES					
Election	Total Number of Candidates	Number of Candidates Qualified for Ballot	Number of Candidates Who Rec'd Funds	Percent of Total Candidates Who Rec'd Funds	Percent of Candidates Qualified for Ballot Who Rec'd Funds
2011	51	26	7	14%	27%
2013	116	58	34	29%	59%
2015	54	31	14	26%	45%
2017	124	56	13	10%	23%

Percentages are rounded.

- The number of City Council candidates who would have met the aggregate contribution threshold would not have changed significantly if the threshold had been either lowered to \$20,000 or raised to \$40,000.

CITY COUNCIL CANDIDATES MEETING AGGREGATE CONTRIBUTION THRESHOLD		
<i>Election</i>	<i>\$20,000 Threshold</i>	<i>\$40,000 Threshold</i>
2011	0 more	0 less
2013	1 more	3 less
2015	2 more	0 less
2017	0 more	2 less

Based on funds raised by candidates who qualified for the ballot.

Other Jurisdictions

- All other cities reviewed for this report have aggregate contribution thresholds. The thresholds vary widely and range from \$500 to \$250,000. Seattle's threshold is a total number of contributions, rather than a total value.

AGGREGATE PER-CANDIDATE CONTRIBUTION THRESHOLDS					
<i>City</i>	<i>City Council</i>	<i>Supervisor</i>	<i>Citywide</i>	<i>Borough President</i>	<i>Mayor</i>
Los Angeles	\$25,000	n/a	\$75,000	n/a	\$150,000
Berkeley	\$500	n/a	\$500	n/a	\$500
Long Beach	\$5,000	n/a	\$10,000	n/a	\$20,000
Oakland*	\$6,800–\$7,150	n/a	n/a	n/a	n/a
Sacramento†	\$7,500	n/a	n/a	n/a	\$10,000
San Francisco	n/a	\$10,000	n/a	n/a	\$50,000
New York City	\$5,000	n/a	\$125,000	\$10,000–\$50,000	\$250,000
Seattle	150 contributions**	n/a	150 or 400 contributions**	n/a	600 contributions**
Washington DC	\$12,000	n/a	\$15,000–\$20,000	n/a	\$40,000

* Represents five percent of expenditure ceiling, which is adjusted annually for CPI.

** Each contribution must be valued at \$10 to \$250.

† Program has not been funded since 2011.



Should the debate criteria be modified?

The requirement that candidates agree to participate in debates with their opponents has existed since the inception of the matching funds program. The requirement is designed to help ensure that candidates engage with the public and that the public is aware of a candidate's views on important issues.

Public Input

- Candidates have sufficient opportunities to debate each other, and the requirement should not be changed.
- Candidates should be required to actually debate, not just agree to debate.

Staff Analysis

- Candidates should be prepared and willing to communicate their views publicly.
- Actual debates are not required because a non-participating opponent could simply refuse to debate and thereby prevent a participating candidate from receiving public funds.

Things to Consider

- Is the requirement achieving its stated goal?
- Would it be more effective to require candidates to hold town hall meetings for themselves, at which they can answer questions from the public, instead of requiring them to agree to participate in debates?
- Does the requirement affect participation?

City Data

- Council File No. 15-1088-S1 is a motion that proposes a review of the matching funds program. See Attachment A, page 43.

Other Jurisdictions

- As noted in the table on the next page, six of the nine cities reviewed for this report have a debate requirement. Seattle requires its candidates to actually participate in debates.

DEBATE REQUIREMENT	
City	Candidates Must Agree to Participate in Debates
Los Angeles	Yes
Berkeley	No
Long Beach	No
Oakland	No*
Sacramento [†]	Yes
San Francisco	Yes
New York City	Yes
Seattle	Yes**
Washington DC	Yes

* The law "strongly encourage[s]" candidates to participate.

** Candidates must actually participate in debates.

† Program has not been funded since 2011.

April 2018

MATCHING FUNDS MATCH RATE

A candidate who meets all of the qualification criteria receives public funds as a match to private contributions from individuals. There are two possible rates of match, depending on how many signatures a candidate gathers during the nominating petition stage of candidacy.

MATCH RATES		
Signatures	Primary Election	General Election
500	1:1	1:1
1,000	2:1	4:1

City candidates may qualify to appear on the ballot by gathering 500 valid signatures from registered voters and paying a \$300 fee or by gathering 1,000 valid signatures from registered voters and not paying a fee. A candidate who would like the increased rate of match has two options for gathering the necessary signatures: the candidate may elect to qualify for the ballot with 1,000 valid signatures on nominating petition forms; or the candidate may elect to qualify for the ballot with 500 valid signatures on nominating petition forms and gather 500 additional valid signatures on signature forms for the matching funds program. *See LAMC § 49.7.27.*

Should the match rates be modified?

Until the 2013 elections, the matching funds program had a 1:1 rate of match for all participating candidates who qualified to receive public funds. In 2013, all qualified candidates received public funds at a rate of 2:1 in the primary election and 4:1 in the general election.

The signature requirement and the different rates of match became effective with the 2015 elections. They were established by the City Council, with the stated purpose of helping to ensure that candidates communicate with voters and demonstrate voter support before receiving public funds.

Public Input

- Eliminate the signature requirement. This is a burdensome requirement that favors incumbents because of their name recognition.
- Increase the match rate to 6:1 for all qualified candidates in all elections. This will encourage

Staff Analysis

- In 2014, the Ethics Commission recommended eliminating the signature requirement and adopting a universal 6:1 match rate.
- A higher match rate does the following:
 - ✓ Makes small contributions more valuable.

Things to Consider

- Is the requirement more beneficial for candidates who have name recognition and more difficult for candidates who are just starting out?
- Does the signature requirement affect participation? Do match rates?

participation and reduce the number of claims a candidate must submit.

- ✓ Increases the number of candidates who receive maximum funding.
 - ✓ Frees candidates from fundraising duties more quickly and permits them to spend more time engaging with constituents.
 - ✓ Makes the program more efficient for both candidates and staff by reducing the number of contributions and claims that must be submitted and verified.
 - The matching funds trust fund is projected to be able to sustain a higher match rate.
 - The signature requirement can create disparity among otherwise equally qualified candidates.
 - The signature requirement encourages communication with constituents if the candidate is the individual who is collecting signatures. Some candidates have paid signature gatherers.
 - The signature requirement has increased election duties for the City Clerk's office, because most candidates now attempt to get 1,000 signatures (all of which must be verified by the City Clerk's office).
- Is the signature requirement necessary to establish a candidate's support, in light of the 200 in-district contribution requirement?
 - Would changing the match rates or the signature requirement help candidates as we transition to elections held in even years?
 - Should we experience an even-year election before determining whether changes should be made?

City Data

- Council File No. 15-1088-S1 is a motion that proposes a review of the matching funds program, including the match rate. See Attachment A, page 43.

- Council File No. 17-0058 is a motion that proposes a full public financing program. See Attachment A, pages 45-46.
- In the 2015 and 2017 elections, 27 candidates received matching funds. One candidate received the 1:1 match rate, and 26 received the higher match rates.
- Since the 2011 elections, the percentage of qualified candidates who received the maximum per-candidate funding in the primary election has been just under one-third in City Council-only election cycles and approximately one-half in Citywide election cycles.

CANDIDATES RECEIVING MAXIMUM PER-CANDIDATE FUNDING IN PRIMARY ELECTIONS					
<i>Election</i>	<i>Number of Candidates Who Rec'd Max</i>	<i>Number of Participating Candidates</i>	<i>Percent of Participating Candidates Who Rec'd Max</i>	<i>Number of Qualified Candidates*</i>	<i>Percent of Qualified Candidates* Who Rec'd Max</i>
2011	2	18	11%	7	29%
2013	17	50	34%	34	50%
2015	4	28	14%	14	29%
2017	6	49	12%	13	46%

Percentages are rounded.
*Candidates who received matching funds.

- The resources required of both candidates and staff have increased dramatically since 2011. A higher match rate will reduce the number of matching funds claims and the corresponding time required to submit and verify each contribution.

MATCHING FUNDS CLAIMS					
<i>Election</i>	<i>Total Claims Submitted</i>	<i>Approx. Time to Verify All Claims</i>	<i>Total Contributions Submitted</i>	<i>Total Contributions Matched</i>	<i>Percent of Contributions Matched</i>
2011	50	90 hours	2,706	2,551	94%
2013	155	702 hours	21,059	19,661	93%
2015	77	960 hours	7,192	6,202	86%
2017	65	1,019 hours	7,640	6,207	86%

Percentages are rounded. A claim may be either an original or an amendment.

Other Jurisdictions

- Among jurisdictions with matching funds programs, Berkeley's match rate of 6:1 is currently the highest, but the most a Berkeley candidate can receive per contributor is \$300. The table on the next page provides more detail.

MATCH RATES			
City	Match Rate		Maximum Amount Matched Per Contributor
Los Angeles	With 500 Signatures: 1:1	With 1,000 Signatures: 2:1 in primary 4:1 in general	\$250 (City Council) \$500 (Citywide)
Berkeley	6:1		\$50
Long Beach	1:2 in primary 1:1 in general		\$350
Oakland	n/a		n/a
Sacramento [†]	1:1		\$250
San Francisco	2:1		\$100
New York City	6:1		\$175
Seattle	n/a		n/a
Washington DC	5:1		\$50 (City Council) \$100 (Council At Large) \$200 (Citywide)

[†] Program has not been funded since 2011.

MATCHING FUNDS PER-CANDIDATE MAXIMUMS

A candidate who meets all of the qualification criteria receives public funds as a match to private contributions from individuals. The maximum amount of public funds available to a candidate depends on the office sought and the type of election. See LAMC § 49.7.29.

MAXIMUM FUNDING		
Office	Primary Election	General Election
City Council	\$100,000	\$125,000
Controller	\$267,000	\$300,000
City Attorney	\$300,000	\$350,000
Mayor	\$667,000	\$800,000

Should the per-candidate maximums be modified?

Public Input

- Increase maximum funding. This will allow candidates to communicate more with voters.
- Increasing the maximum funding will reduce the need for fundraising, which will be more difficult in even-year elections when City candidates will have to compete with state and federal candidates.

Staff Analysis

- The current maximums were established at the inception of the matching funds program, in 1991, and have never been increased.
- In 2014, the Ethics Commission recommended increasing maximum funding by approximately 50 percent.
- Increased maximums would do the following:
 - ✓ Free candidates from significant fundraising duties.
 - ✓ Reduce the need for candidates to rely on private funding.
 - ✓ Permit candidates to spend more time engaging with constituents.
- The matching funds trust fund is projected to be able to sustain increased maximums, even at a

Things to Consider

- How do the maximums relate to typical spending?
- Is it beneficial to infuse more public money into City elections? Would doing so serve the goals of the matching funds program?
- Do higher maximums help challengers wage effective campaigns?
- Do the maximums affect participation?
- Would higher maximums help candidates as we transition to elections held in even years?
- Should we experience an even-year election before determining whether changes should be made?

higher match rate.

- The matching funds trust fund receives mandatory annual appropriations that currently outpace payments in elections that do not have a significant number of open seats.

City Data

- Council File No. 15-1088-S1 is a motion that proposes a review of the matching funds program. See Attachment A, page 43.
- Since 2011, average spending by City Council candidates in primary elections has ranged from \$126,625 to \$206,119. Highest average spending by candidates was \$4,447,157—in the 2013 open seat mayoral race.

AVERAGE CANDIDATE SPENDING							
Election	Seat	Election	Total Candidates	Total Spending All Candidates	Average Spending Single Candidate	Lowest Spending Single Candidate*	Highest Spending Single Candidate
2011	City Council	Primary	26	\$3,636,811	\$139,877	\$1,570	\$587,148
		General	n/a	n/a	n/a	n/a	n/a
2013	City Council	Primary	40	\$6,807,038	\$170,176	\$98	\$520,956
		General	6	\$2,467,274	\$411,212	\$238,902	\$518,691
	Controller	Primary	6	\$1,937,232	\$322,872	\$18,500	\$1,074,075
		General	2	\$1,326,089	\$663,044	\$632,023	\$694,065
	City Attorney	Primary	4	\$3,363,311	\$840,828	\$884,601	\$1,302,772
		General	2	\$1,755,863	\$877,931	\$755,944	\$999,919
	Mayor	Primary	8	\$14,725,395	\$1,840,674	\$3,717	\$5,356,722
		General	2	\$8,894,314	\$4,447,157	\$3,933,788	\$4,960,526
2015	City Council	Primary	31	\$6,389,684	\$206,119	\$3,083	\$1,056,605
		General	2	\$1,226,969	\$613,485	\$555,648	\$671,321
2017	City Council	Primary	43	\$5,444,890	\$126,625	\$2,978	\$607,596
		General	4	\$1,744,218	\$436,055	\$190,933	\$572,230
	Controller	Primary	1	\$355,232	\$355,232	\$355,232	\$355,232
		General	n/a	n/a	n/a	n/a	n/a
	City Attorney	Primary	1	\$703,950	\$703,950	\$703,950	\$703,950
		General	n/a	n/a	n/a	n/a	n/a
	Mayor	Primary	11	\$4,681,358	\$425,578	\$2,365	\$3,874,706
		General	n/a	n/a	n/a	n/a	n/a

Reflects spending reported by candidates who qualified to appear on the ballot. Numbers are rounded.

* Among candidates who reported spending at least \$1.

- The Ethics Commission’s 2014 recommendation would have increased the maximums by approximately 50 percent. If maximum funding were increased for CPI since 1993, the maximums would be approximately 74 percent higher than they currently are (see bls.gov/data/inflation_calculator.htm).

MAXIMUM PER-CANDIDATE FUNDING						
Office	PRIMARY ELECTION			GENERAL ELECTION		
	Current	Recommended 2014	Adjusted for CPI	Current	Recommended 2014	Adjusted for CPI
City Council	\$100,000	\$150,000	\$173,784	\$125,000	\$187,000	\$217,230
Controller	\$267,000	\$400,000	\$464,001	\$300,000	\$450,000	\$521,352
City Attorney	\$300,000	\$450,000	\$521,352	\$350,000	\$475,000	\$608,244
Mayor	\$667,000	\$1,000,000	\$1,159,140	\$800,000	\$1,200,000	\$1,390,273

- The buying power of the dollar has decreased by approximately 42 percent since 1993, when the matching funds program first took effect. Today, \$100,000 has the same buying power as \$57,543 did in 1993, \$300,000 has the same buying powers as \$172,628 in 1993, and \$800,000 has the same buying power of \$460,341 did in 1993.
- In the 2017 elections, \$1,778,560 was paid to qualified candidates. Nearly twice that (\$3,220,424) was appropriated to the trust fund for FY2017-18.

TOTAL MATCHING FUNDS PAYMENTS				
Election	PRIMARY ELECTION		GENERAL ELECTION	
	Total Payments	Average Payment Per Candidate	Total Payments	Average Payment Per Candidate
2011	\$449,719	\$64,246	n/a	n/a
2013	\$6,006,702	\$176,668	\$3,648,600	\$304,050
2015	\$1,082,071	\$77,291	\$235,244	\$117,622
2017	\$1,329,312	\$102,255	\$449,248	\$124,812

- Based on historic average distributions, the trust fund balance is projected to be able to sustain both increased maximums and an increased match rate.

TRUST FUND BALANCE		
Current	Projected 2026 Balance (no changes)	Projected 2026 Balance (increased maximums / 6:1 match rate)
\$14,650,000	≈ \$20,500,000	≈ \$10,000,000

Other Jurisdictions

- In other jurisdictions, the per-candidate maximums in primary elections range from \$21,120 for a city council candidate in Long Beach to \$3,386,900 for a mayoral candidate in New York City. The maximums are the same for general elections in Long Beach, New York City, San Francisco, and Washington DC. The maximums are the same for general elections in Seattle, as well, but any amount not received in the primary may be added to the maximum in

the general. Berkeley has ranked choice voting and, therefore, does not have general elections.

PER-CANDIDATE MAXIMUMS IN PRIMARY ELECTIONS					
City	City Council	Supervisor	Citywide	Borough President	Mayor
Los Angeles	\$100,000	n/a	\$267,000–\$300,000	n/a	\$667,000
Berkeley	\$40,000	n/a	n/a	n/a	\$120,000
Long Beach*	\$21,120–\$27,060	n/a	\$53,130	n/a	\$106,260
Oakland**	\$40,800–\$42,900	n/a	n/a	n/a	n/a
Sacramento†	\$35,200	n/a	n/a	n/a	\$117,000
San Francisco	n/a	Non-incumbent: \$155,000 Incumbent: \$152,500	n/a	n/a	Non-incumbent: \$975,000 Incumbent: \$962,500
New York City***	\$104,500	n/a	\$2,505,250	\$902,000	\$4,007,300
Seattle****	\$75,000	n/a	\$75,000–\$150,000	n/a	\$400,000
Washington DC	TBD*****	n/a	TBD*****	n/a	TBD*****

* Represents 33 percent of expenditure ceiling in the primary, which is adjusted each election cycle based on number of voters.

** Represents 30 percent of expenditure ceiling, which is adjusted annually based on CPI. Also limited by annual budget (\$183,000 in 2018).

*** Represents 55 percent of the expenditure ceiling in an election year.

**** Equal to the overall spending cap; decreased by the amount of private contributions received.

***** Will be 110 percent of the average expenditures of winning candidates over the previous four regular election cycles.

† Program has not been funded since 2011.

D. Discussion of Other Campaign Issues

In addition to suggestions regarding the matching funds program, we have also received suggestions regarding other aspects of the campaign finance laws. The modifications that have been suggested would affect contributions and disclosure.

DEVELOPER CONTRIBUTIONS

Several types of contributions are currently prohibited in City campaigns. One ban applies to any contribution made under an assumed name (a name other than the true source of the contribution). *See* Los Angeles City Charter (Charter) § 470(k). This is generally referred to as political money laundering. Another ban exists in federal law and applies to contributions from foreign nationals and foreign entities. *See* 52 USC § 30121; 11 CFR § 110.20.

The City also bans contributions based on two categories of activity: lobbying and contracting. Lobbyists and lobbying firms are prohibited from making contributions to a candidate who holds or seeks a City office that the lobbyist or lobbying firm is (or is required to be) registered to lobby. Similarly, a candidate is prohibited from accepting a contribution from a lobbyist or lobbying firm that is (or is required to be) registered to lobby a City office that the candidate holds or seeks. *See* Charter § 470(c)(11).

Finally, bidders and contractors are prohibited from making contributions to or engaging in prohibited fundraising for a candidate who holds or seeks an office that must approve the contract, if the contract is valued at \$100,000. This ban extends to the bidder or contractor's principals, subcontractors of \$100,000 or more, and the principals of those subcontractors. *See* Charter § 470(c)(12); LAMC §§ 49.7.35–36.



Should contributions from developers be banned?

Public Input

- Developers should be banned to help with actual or perceived pay-to-play politics.
- A developer ban would further narrow potential sources of campaign funds, at the same time that the City is moving to even-year elections and candidates will begin competing with federal and state candidates

Staff Analysis

- A precise definition for “developer” would be necessary.
- A specific period of time in which the ban applies should be identified.
- The City already limits the total amount of contributions that a candidate may accept from non-individuals in a single election.

Things to Consider

- Would a developer ban reduce actual or apparent corruption? Would a ban on non-individuals?
- How should “developer” be defined? Should it depend on a certain activity or stage of development? Should it depend on the type of developer (individual or entity)? Should it depend on a monetary threshold?

- for limited resources.
- A ban on developer contributions is impractical.
- A developer ban should not apply to someone who wants to modify their home. It should focus on business development.
- A developer ban may increase the amount spent through independent expenditures and lead to less transparency about who is communicating in an election.
- Instead of banning developers, non-individuals should be banned.
- A ban on non-individual contributions (instead of bans on lobbyists, lobbying firms, bidders, contractors, and developers) would eliminate the need for aggregation of contributions, significantly simplify the audit process, and reduce the number of inadvertent excess aggregate contributions.
- A Charter amendment would be required to replace the existing contribution bans in favor of a non-individual ban.
- Adding a ban on contributions from developers may require legal analysis.
- Adding a ban on contributions from developers may require a record of why the ban is needed.
- When should a ban begin for a specific developer (e.g., when a City official is first contacted, when a property is purchased, at the beginning of the design phase, when construction begins, or at a different stage), and when should it end?
- Should a developer ban extend to principals and subcontractors, like the bidder/contractor ban does?
- For equity purposes, should a developer ban extend to those who oppose a development project?
- If developer contributions are banned, should developer fundraising also be banned?
- Should we experience an even-year election before determining whether changes should be made?
- Rather than banning developer contributions, what about requiring those who accept a contribution from a developer to recuse themselves from decisions affecting the developer?
- Would more disclosure be a better solution than banning developer contributions?

City Data

- Council File No. 17-0042 is a motion that proposes a developer ban. See Attachment A, page 44.
- The City's limits on aggregate non-individual contributions apply per election, are adjusted annually for CPI, and are currently as follows (see Attachment B):
 - ✓ \$226,500 for City Council candidates.
 - ✓ \$603,800 for City Attorney and Controller candidates.
 - ✓ \$1,358,700 for Mayoral candidates.

- The percentage of contributions from non-individuals has decreased since the 2011 elections.

INDIVIDUAL V. NON-INDIVIDUAL CONTRIBUTIONS				
Election	INDIVIDUAL		NON-INDIVIDUAL	
	Total Amount	Percent of Total Contributions	Total Amount	Percent of Total Contributions
2011	\$2,872,485	71%	\$1,150,707	29%
2013	\$25,780,389	81%	\$6,179,072	19%
2015	\$4,442,492	81%	\$1,011,714	19%
2017	\$8,696,301	80%	\$2,186,504	20%

Reflects itemized contributions as reported. Numbers are rounded.

Other Jurisdictions

- San Diego prohibits contributions from non-individuals.
- San Francisco and, according to the National Conference of State Legislators, approximately 20 states prohibit contributions from corporations, whether for profit or not.
- New York City, Philadelphia, and Phoenix prohibit contributions from corporations, LLCs, trusts, associations, and unions.
- Metro prohibits a board member from participating in a contract decision if the member knowingly accepted a contribution of over \$10 from a construction company, engineering firm, consultant, legal firm, or entity seeking a contract.
- Dallas restricts contributions from applicants in zoning cases from the date the case hearing is first publicly noticed until 60 days after the case is withdrawn or decided.

DISCLOSURE

State and City laws require a variety of forms of disclosure, to foster transparency. This information is designed to help inform the public about who is participating in City elections and to help the public make voting decisions.

Campaign disclosure statements must be filed by deadlines that are specified by law and are tied to election dates. *See* Cal. Gov't Code §§ 84200(a)–(b), 84200.5(a); Charter § 803(r)(1); LAMC § 49.7.14. The statements must identify a candidate's expenditures, payees, contributions, and contributors. Required information about itemized contributors (those who contribute \$100 or more) includes the contributor's name, address, occupation, and employer. Candidates are also required to identify each contributor by type: individual; recipient committee; small contributor committee; political party; or other.

City law also requires candidates to give contributors the opportunity to certify the following statements about their contributions (*see* LAMC § 49.7.16(B):

- The contribution is not being made under a false name, is not being made under another person's name, and has not been and will not be reimbursed.
- The contribution does not exceed the contributor's aggregate contribution limit.
- The contribution is not from a person who is prohibited from contributing, including lobbying entities, bidders, contractors, and subcontractors.

A separate contributor certification is required when a contribution is used for matching funds qualification or claim purposes. Certification must be made under penalty of perjury by both the candidate and the candidate's treasurer and must include the following statements (*see* Los Angeles Administrative Code § 24.34(a)(9)):

- All contributions identified in the claim form have been deposited into the campaign checking account.
- To the best of their knowledge and belief, the matching funds claim form and all supporting documents are true and complete.
- To the best of their knowledge and belief, all contributions identified in the claim form are from City residents.



Should the contributor certification be modified?

Public Input

- Change the required contributor certification, so that a contributor can certify that the contribution is not

Staff Analysis

- Adding new statements to the contributor certification would enhance compliance for candidates.

Things to Consider

- Should contributors be required to certify under penalty of perjury?

- | | | |
|--|--|---|
| <ul style="list-style-type: none"> from a foreign national or a foreign-influenced business. • Change the required contributor certification, so that contributors certify under penalty of perjury that they do not have any open applications for discretionary approval of development projects before the City. • Obtaining contributor certification is more work and costs more money for candidates. • Certifications discourage contributions, because contributors feel it is an invasion of privacy, especially for small contributions. | <ul style="list-style-type: none"> • Identifying all types of prohibited contributions on the contributor certification is an important way to educate the public. • There are currently two types of contributor certifications in the law, one for all contributions and one for matching funds contributions. Consolidating the certifications would permit candidates to use one form for all contributors and would make both types of certification mandatory. | <ul style="list-style-type: none"> • Should certification be mandatory for all contributors? • Should the two certifications specified in City law be consolidated? |
|--|--|---|

City Data

- Council File No. 17-0059 is a motion that proposes requiring businesses to certify that they are not foreign-influenced. See Attachment A, page 47.
- Council File No. 17-0042 is a motion that proposes requiring contributors to certify that they do not have any open applications for discretionary approval of development projects before the City. See Attachment A, page 44.

Should disclosure regarding contributor type be modified?

Public Input

- Require disclosure about specific types of businesses that make contributions.
- Better disclosure will help the public know when a corporation or LLC or nonprofit is giving.

Staff Analysis

- This City limits the total amount of contributions from non-individuals that a candidate may receive per election.
- Only the state can amend the state's campaign disclosure statement (Form 460).

Things to Consider

- Would more disclosure about types of contributors be a better solution than a ban on contributions?
- Should more disclosure be required in addition to contribution bans?

- However, there is a general “notes” section on Form 460, in which City candidates could be required to provide additional information about the types of their contributors.
- Additional disclosure enhances transparency for the public.

City Data

- The City’s limits on aggregate non-individual contributions apply per election, are adjusted annually for CPI, and are currently as follows (see Attachment B):
 - ✓ \$226,500 for City Council candidates.
 - ✓ \$603,800 for City Attorney and Controller candidates.
 - ✓ \$1,358,700 for Mayoral candidates.
- The percentage of contributions from non-individuals has decreased since the 2011 elections.

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2017	\$8,696,301	80%	\$2,186,504	20%

Reflects itemized contributions as reported. Numbers are rounded.

- Types of non-individual contributors since the 2011 elections are provided in the table on the next page, based on staff analysis. “Other” may include committees, not-for-profit entities, and for-profit entities of unknown type.

TYPES OF NON-INDIVIDUAL CONTRIBUTORS						
Election		Total Contributions	Non-individual Contributions	Corporations	LLCs	Other
2011	Amount	\$4,023,192	\$1,150,707	\$504,675	\$120,760	\$525,272
	Count	11,562	2,756	1,202	299	1,255
	Percent		29%*	44%**	11%**	46%**
2013	Amount	\$31,959,461	\$6,179,072	\$2,257,319	\$691,225	\$3,230,528
	Count	62,937	10,083	3,742	1,103	5,238
	Percent		19%*	37%**	11%**	52%**
2015	Amount	\$5,454,206	\$1,011,714	\$569,610	\$168,230	\$273,874
	Count	13,381	1,828	1,074	297	457
	Percent		22%*	59%**	16%**	25%**
2017	Amount	\$10,882,805	\$2,186,504	\$934,650	\$343,945	\$907,909
	Count	19,194	3,000	1,357	501	817
	Percent		20%*	45%**	17%**	38%**

Reflects itemized contributions as reported. Numbers are rounded.

* Percent of total contributions.

** Percent of non-individual contributions.

E. Conclusion

This report highlights decision points regarding the matching funds program, sources of contributions, and disclosure. We recommend that you determine whether modifications to the laws are advisable at this time and, if so, what those modifications should be. If modifications are desired, specific language to implement them will be presented at a future meeting.

Attachments:

- A Introduction to the Campaign Finance Review (February 20, 2018)
- B 2018 Contribution and Expenditure Limits: City Candidate Committees
- C Written public comments

Recommended Changes
Campaign Finance Ordinance
Los Angeles Municipal Code, Chapter IV, Article 9.7

SEC. 49.7.2. DEFINITIONS.

T. “**Qualified contribution**” means a contribution that meets all of the following criteria:

1. The contribution is lawful under federal, state and City law.
2. The contribution was received by a participating candidate.
3. The contribution was not received from the participating candidate or the participating candidate’s immediate family.
4. The contribution was received from an individual ~~residing within the City~~.
5. The contribution is monetary and is not a loan or pledge.
6. The contribution was received no later than three months after the date of the election, no earlier than the opening of the applicable fundraising window in Section 49.7.10, and no earlier than the ~~following dates:~~ on which the candidate filed a Declaration of Intent to Solicit and Receive Contributions for that election.
 - ~~a. For primary elections, the date on which the candidate filed a Declaration of Intent to Solicit and Receive Contributions.~~
 - ~~b. For general elections, the date on which the candidate was permitted to begin soliciting and accepting contributions.~~

SEC. 49.7.3. CHARTER-BASED ADJUSTMENTS.

The Ethics Commission has a duty under Charter Section 702(h) to annually adjust limitations and disclosure thresholds in City law to reflect changes in the Consumer Price Index (CPI).

A. The duty applies to the following provisions in the City’s campaign finance laws:

1. The per-person limits on campaign contributions in Charter Sections 470(c)(3) and 470(c)(4).
2. The per-person limits on loans in Charter Section 470(c)(8).

~~3. The aggregate limits on campaign contributions in Charter Section 470(c)(6).~~

43. The aggregate limits on campaign contributions from non-individuals in Charter Section 470(c)(7).

54. The per-person limit on cash contributions in Charter Section 470(d).

65. The aggregate limit on anonymous contributions in Charter Section 470(e).

76. The limit on expressions of congratulations or condolences by officeholder committees in Section 49.7.19(D)(12).

87. The aggregate limits on contributions and transfers to and expenditures by City Council officeholder committees in Sections 49.7.19(G)(1)–(3).

98. The aggregate limits on contributions to and expenditures by Citywide officeholder committees in Sections 49.7.19(H)(1)–(3).

9. The aggregate contribution thresholds for participating candidates in Section 49.7.23(C)(1)(a).

10. The limits on the amount per contributor that participating candidates may use toward the aggregate contribution thresholds in Section 49.7.23(C)(1)(a).

~~4011.~~ The limits on the expenditure of personal funds in a campaign in Section 49.7.23(C)(4).

~~4412.~~ The limits on expenditures by participating candidates in Section 49.7.24.

~~4213.~~ The independent expenditure threshold that lifts the expenditure ceilings for participating candidates in Section 49.7.25.

14. The maximum amount per contributor that may be matched for participating candidates in Section 49.7.29(A).

15. The maximum matching funds available to participating candidates in a primary election in Section 49.7.29(A).

16. The maximum matching funds available to participating candidates in a general election in Section 49.7.29(B).

B. Pursuant to Charter Sections 240, 470(f), and 702(h), the following apply to CPI adjustments.

1. The adjustments shall be automatically calculated and published by the Ethics Commission staff no later than March 1 of each year.

2. Adjustments shall reflect the percent change in CPI for All Urban Consumers that is published by the United States Bureau of Labor Statistics for the region that includes the Los Angeles metropolitan area from December 2011 to the December immediately prior to the adjustment using the following formula: divide the CPI for the December immediately prior to the adjustment by 231.567 (the CPI for December 2011); multiply the resulting number by each value below; and round as specified in paragraph 3.

- a. \$700 for the per-person limits on contributions and loans to City Council candidates.
- b. \$1,300 for the per-person limits on contributions and loans to Citywide candidates.

~~c. (\$700 times the number of City Council offices on a ballot) plus (\$1,300 times the number of Citywide offices on a ballot), but not less than two times the limit on contributions to City Council candidates, for a person's aggregate limit on contributions in a single election.~~

~~d.~~ The following aggregate limits on non-individual contributions:

- i. \$202,300 to City Council candidates.
- ii. \$539,400 to City Attorney and Controller candidates.
- iii. \$1,213,800 to Mayoral candidates.

~~e.~~ \$25 for the per-person limit on cash contributions.

~~f.~~ \$200 for the aggregate limit on anonymous contributions.

~~g.~~ \$140 for the limit on expressions of congratulations or condolence by officeholder committees.

~~h.~~ \$93,000 for the aggregate limits on contributions and transfers to and expenditures by City Council officeholder committees.

~~i.~~ \$150,000 for the aggregate limits on contributions and transfers to and expenditures by Citywide officeholder committees.

i. The following aggregate contribution thresholds for participating candidates:

i. \$34,000 for City Council candidates.

ii. \$101,000 for City Attorney and Controller candidates.

iii. \$202,000 for Mayoral candidates.

j. The following limits on the amount per contributor that participating candidates may use toward the aggregate contribution thresholds:

i. \$300 for City Council candidates.

ii. \$700 for Citywide candidates.

jk. The following limits on the expenditure of personal funds by participating candidates:

i. \$31,100 for City Council candidates.

ii. \$124,500 for Citywide candidates.

kl. The following expenditure limits for participating candidates in primary elections:

i. \$480,000 for City Council candidates.

ii. \$1,119,000 for Controller candidates.

iii. \$1,259,000 for City Attorney candidates.

iv. \$2,798,000 for Mayoral candidates.

lm. The following expenditure limits for participating candidates in general elections:

i. \$400,000 for City Council candidates.

ii. \$840,000 for Controller candidates.

iii. \$979,000 for City Attorney candidates.

iv. \$2,237,000 for Mayoral candidates.

mn. The following independent expenditure thresholds that lift the expenditure limits for participating candidates:

i. \$77,000 in City Council races.

ii. \$155,000 in Controller and City Attorney races.

iii. \$309,000 in Mayoral races.

o. The following limits on the amount per contributor that may be matched for participating candidates:

i. \$300 for City Council candidates.

ii. \$700 for Citywide candidates.

p. The following maximum matching funds for participating candidates in a primary election:

i. \$135,000 for City Council candidates.

ii. \$360,000 for Controller candidates.

iii. \$405,000 for City Attorney candidates.

iv. \$900,000 for Mayoral candidates.

q. The following maximum matching funds for participating candidates in a general election:

i. \$169,000 for City Council candidates.

ii. \$405,000 for Controller candidates.

iii. \$472,000 for City Attorney candidates.

iv. \$1,079,000 for Mayoral candidates.

3. Adjustments shall be rounded as follows:

a. To the nearest \$10 for the values in Subsections B(2)(e) and B(2)(g).

b. To the nearest \$100 for the values in Subsections B(2)(a) through B(2)(d) ~~and~~, B(2)(f), B(2)(j), and B(2)(o).

c. To the nearest \$1,000 for the values in Subsections B(2)(h) ~~through~~, B(2)(mi), B(2)(k) through B(2)(n), B(2)(p), and B(2)(q).

SEC. 49.7.16. CONTRIBUTOR INFORMATION.

A. A contribution may not be deposited into the checking account of a City controlled committee unless the following is on file in the committee's records:

1. For individuals, the contributor's name, address, occupation, ~~and employer~~ (or name of business if self-employed), and certification in Subsection B.
 2. For non-individuals, the contributor's name ~~and,~~ address, and certification in Subsection B.
- B. ~~All fundraising and contribution forms and the electronic equivalent~~ A contributor shall ~~allow contributors the option to~~ certify the following information under penalty of perjury:
1. The contribution is not being made under a false name, is not being made under another person's name, and has not been and will not be reimbursed;
 2. The contribution does not ~~exceed~~ cause the contributor's ~~aggregate to cumulatively or in the aggregate exceed the applicable~~ contribution limit in ~~Charter Section 470(e)(6)~~ Section 49.7.3(B)(2)(a), Section 49.7.3(B)(2)(b), Section 49.7.19(F), or Section 49.7.20(B)(3);
 3. The contribution is not from a person who is prohibited from contributing, including the following:
 - a. A lobbyist or lobbying firm who is prohibited from contributing under Charter Section 470(c)(11); and
 - b. A bidder, sub-contractor, principal, or underwriting firm that is prohibited from contributing under Charter Section 470(c)(12) or Charter Section 609(e).
 4. Whether the contribution is being made with business funds or an individual's personal funds.
 5. For individuals, whether the address provided is the contributor's residence address.
 6. The information provided regarding address, occupation, and employer is correct.
- C. Obtaining the certification in Subsection B is evidence that the committee that received the contribution acted in good faith.

SEC. 49.7.22. ACCEPTANCE OR REJECTION OF MATCHING FUNDS.

- A. Each candidate for elected City office shall file with the Ethics Commission a statement of acceptance or rejection of matching funds. The statement may not be filed earlier than the date the candidate files a Declaration of Intent to Solicit and Receive Contributions under Charter Section 470(c)(1) and may not be filed later than the final date to file a Declaration of Intention to Become a Candidate under City Election Code Section 301.

- B. A candidate who agrees to accept matching funds shall comply with the requirements of the program, including, but not limited to, the expenditure ceilings.
- C. A candidate who has filed a statement of acceptance of matching funds may subsequently reject matching funds up to five business days after the final filing date for the Declaration of Intention to Become a Candidate if another candidate in the same race has rejected matching funds. A candidate who subsequently rejects matching funds is a non-participating candidate, shall return to the City any matching funds payments received for that election, and may not receive any further matching funds payments for that election.

SEC. 49.7.23. PARTICIPATION AND QUALIFICATION REQUIREMENTS.

- A. Agreeing to participate in the matching funds program is binding on the candidate for both the primary election and the general election.
- B. A participating candidate who qualifies to receive matching funds in the primary election automatically qualifies to receive matching funds in the general election. A participating candidate who does not qualify to receive matching funds in the primary election, may qualify to receive matching funds through the candidate’s controlled committee for the general election.
- C. Qualification means that a participating candidate has met all of the following requirements:

- 1. The candidate and the candidate’s controlled committee received qualified contributions that meet the following criteria:

- a. The contributions meet or exceed the following aggregate amounts:

- i. ~~\$25,000~~\$34,000 for City Council candidates;
- ii. ~~\$75,000~~\$101,000 for City Attorney and Controller candidates;
- iii. ~~\$150,000~~\$202,000 for Mayoral candidates.

The first ~~\$500 of~~700 from each ~~contribution-contributor~~ counts toward the threshold for Citywide candidates, and the first ~~\$250 of~~300 from each ~~contribution-contributor~~ counts toward the threshold for City Council candidates. Loans, pledges, and non-monetary contributions do not count toward the thresholds. The thresholds and the per-contributor limits are subject to adjustment under Section 49.7.3

- b. The contributions are not from the candidate or the candidate’s immediate family.

2. The candidate receives qualified contributions of at least five dollars each from ~~200~~ 100 individuals residing within the City or, for City Council candidates, within the council district for which election is sought. [Alternate: Delete paragraph]
3. The candidate is certified to appear on the ballot for the election and is not a write-in candidate.
4. The candidate is opposed by a candidate running for the same office who has qualified to appear on the ballot for that election and is not a write-in candidate.
5. The candidate does not contribute or lend more than the following aggregate amounts in personal funds per election:
 - a. \$31,100 for City Council candidates.
 - b. \$124,500 for Citywide candidates.

These amounts are subject to adjustment under Section 49.7.3.

6. The candidate ~~agrees in writing to~~ has either participated in ~~at least one a~~ debate with ~~one or more~~ opponents ~~in the primary election and in at least two debates with the opponent in the general election~~ or conducted a town hall meeting with the public.
 7. The candidate agrees in writing not to exceed the applicable expenditure ceilings.
 8. The candidate or the candidate's controlled committee has filed all previously due campaign statements required by the Political Reform Act, the Charter, this Code, or the Administrative Code.
 9. The candidate and the candidate's treasurer have attended the training required under Section 49.7.12.
 10. The candidate does not use matching funds in violation of federal, state or City law.
 11. The candidate does not use matching funds to pay fines, penalties, or inauguration expenses.
- D. A participating candidate who does not abide by the terms of the Matching Funds Program is disqualified from receiving matching funds for the remainder of the election cycle and may be required to return all matching funds received for that election cycle.

SEC. 49.7.24. EXPENDITURE CEILINGS.

- A. Participating candidates and their controlled committees for election to City office may not make or incur campaign expenditures above the following amounts:
1. City Council candidates: \$480,000 per primary election and \$400,000 per general election.
 2. Controller candidates: \$1,119,000 per primary election and \$840,000 per general election.
 3. City Attorney candidates: \$1,259,000 per primary election and \$979,000 per general election.
 4. Mayoral candidates: \$2,798,000 per primary election and \$2,237,000 per general election.
- B. The expenditure ceilings are subject to adjustment under Section 49.7.3.
- C. The following payments do not count toward the expenditure ceilings when made by the participating candidate in connection with candidacy for the office specified in the participating candidate's Declaration of Intent to Solicit and Receive Contributions:
1. Fees paid under Election Code Section 310(c) or California Government Code Section 84101.5.
 2. Refunded campaign contributions.
 3. Returned matching funds.

SEC. 49.7.25. EXPENDITURE CEILINGS LIFTED.

The applicable expenditure ceiling is no longer binding on a participating candidate in either of the following scenarios:

- A. A non-participating candidate in the same race makes or incurs campaign expenditures in excess of the expenditure ceiling; or
- B. Independent expenditure communications under Section 49.7.31(A)(1) in support of or opposition to any candidate in the same race exceed, in the aggregate, the following amounts:
1. \$77,000 in a City Council election;
 2. \$155,000 in a City Attorney or Controller election;

3. \$309,000 in a Mayoral election.

These amounts are subject to adjustment under Section 49.7.3.

SEC. 49.7.26. NOTICE REGARDING EXPENDITURE CEILINGS.

A candidate shall notify the Ethics Commission in writing within one calendar day of the date the candidate has received more than 100 percent of the applicable expenditure ceiling and again on the day the candidate makes or incurs expenditures totaling more than 100 percent of the applicable expenditure ceiling. The Ethics Commission shall notify all other candidates for the same office within one business day of receiving the candidate's notice.

SEC. 49.7.27. MATCHING FUNDS FORMULA.

- A. ~~A-qualified~~Qualified contributions will be matched with public funds up to the following amounts:

1. ~~\$250~~300 per ~~qualified-contribution~~contributor for City Council candidates;
2. ~~\$500~~700 per ~~qualified-contribution~~contributor for Citywide candidates.

These amounts are subject to adjustment under Section 49.7.3.

- B. A qualified contribution will be matched with public funds at the following rates:

~~1. For participating candidates who have qualified to receive matching funds but have not met the criteria in Subsection C, one dollar in matching funds will be paid for each dollar in qualified contributions in both the primary election and the general election.~~

~~2. For participating candidates who have qualified to receive matching funds and have met the criteria in Subsection C, in a primary election, two dollars in matching funds will be paid for each dollar in qualified contributions for the primary election and four dollars in matching funds will be paid for each dollar in qualified contributions for the general election.~~

~~3. In a general election, each participating candidate will receive a grant of one-fifth of the amount specified in Section 49.7.29(B) upon the later of being certified to appear on the general election ballot or qualifying to receive matching funds. The remaining four-fifths will be paid at the rate that applies under either paragraph 1 or paragraph 2 of four dollars in matching funds for each dollar in qualified contributions.~~

~~C. Participating candidates who have qualified to receive matching funds are eligible for the rate of match in Subsection B(2) if they submit to the City Clerk either of the following by the last date to submit nominating petitions for the primary election:~~

~~1. For candidates choosing not to pay a filing fee pursuant to Section 310 of the City Elections Code, a nominating petition that includes the signatures of at least 1,000 qualified registered voters; or~~

~~2. For candidates choosing to pay a filing fee pursuant to Section 310 of the City Elections Code, a nominating petition that includes the signatures of at least 500 qualified registered voters and a Matching Funds Additional Signatures Form, prescribed by the Ethics Commission, that includes the signatures of at least 500 and no more than 1,000 additional qualified registered voters of the City for Citywide candidates, or of the district for Council candidates:~~

~~a. The City Clerk shall review and verify the signatures on the Matching Funds Additional Signatures Form using the same process that is used for reviewing and verifying the signatures on nominating petitions, and the City Clerk's process for nominating petitions shall not be altered by this requirement. The City Clerk shall only review the signatures on a candidate's Matching Funds Additional Signatures Form after the City Clerk has determined that the candidate has qualified for the ballot.~~

~~b. Extra signatures that are submitted on a nominating petition but are not required for qualification for the ballot shall not be counted for purposes of determining a candidate's qualification for the rate of match in Subsection B(2).~~

~~c. The signatures on the Matching Funds Additional Signatures Form that are used to qualify for the rate of match in Subsection B(2) must be distinct from the signatures on the nominating petition that are used to qualify for the ballot, so that the candidate obtains signatures from at least 1,000 qualified registered voters of the City for Citywide candidates, or of the district for Council candidates.~~

~~d. The City Clerk's review of the Matching Funds Additional Signatures Form shall be completed by the last day of the City Clerk's review period for nominating petitions.~~

~~Within one business day after the close of the review period for nominating petitions, the City Clerk shall notify the Ethics Commission of all candidates who have been verified as having submitted the signatures of at least 1,000 qualified registered voters.~~

SEC. 49.7.28. REQUESTS FOR MATCHING FUNDS PAYMENTS.

- A. A participating candidate may not request a single matching funds payment that represents less than \$10,000 in matchable portions of qualified contributions, as determined by the formula in Section 49.7.27(A), except in the following circumstances:
1. Beginning 14 days before an election and ending on the last day to submit requests for payment, as identified in Administrative Code Section 24.34(c)(3), a participating candidate may request a single matching funds payment that represents \$1,000 or more in matchable portions of qualified contributions.
 2. A participating candidate may request a matching funds payment that represents any amount in matchable portions of qualified contributions if the payment requested would result in the participating candidate receiving the maximum matching funds for that election.
- B. If a contribution that forms the basis of a request for a matching funds payment cannot be negotiated or is returned or refunded, the candidate must either return all matching funds received as a result of that contribution or submit an alternate qualified contribution.
- C. Requests for matching funds payments shall contain the information required by the Ethics Commission.
- D. A candidate who makes a request for matching funds payment and knows or should know that the request is false or that a contribution that forms the basis of the request is misrepresented is guilty of a misdemeanor and shall return all matching funds received as a result of the request. If the candidate holds or is elected to office, the false request constitutes a violation of official duties and, if it is deemed appropriate by a court under Charter Section 207(c), shall be removed from office.

SEC. 49.7.29. MAXIMUM MATCHING FUNDS.

- A. The following maximum amounts may be paid to qualified participating candidates in a primary election:
1. ~~\$100,000~~135,000 for City Council candidates;
 2. ~~\$267,000~~360,000 for Controller candidates;
 3. ~~\$300,000~~405,000 for City Attorney candidates; and
 4. ~~\$667,000~~900,000 for Mayoral candidates.

B. The following maximum amounts may be paid to qualified participating candidates in a general election:

1. ~~\$125,000~~169,000 for City Council candidates;
2. ~~\$300,000~~405,000 for Controller candidates;
3. ~~\$350,000~~472,000 for City Attorney candidates; and
4. ~~\$800,000~~1,079,000 for Mayoral candidates.

C. The maximum amounts are subject to adjustment under Section 49.7.3.

SEC. 49.7.30. MATCHING FUNDS PAYMENTS TO CANDIDATES.

- A. The Ethics Commission shall process each request for matching funds payment within four business days after the later of receiving all information necessary to process the request or determining that the participating candidate has met all qualification requirements.
- B. The Controller shall make matching funds payments in the amount certified by the Ethics Commission within two business days after receiving the certification from the Ethics Commission.
- C. Except for the general election grant, a matching funds payment may not be made before the Ethics Commission determines the sufficiency of the Public Matching Funds Trust Fund under Administrative Code Section 24.33. If the Ethics Commission determines that the balance of the Public Matching Funds Trust Fund is not or may not be sufficient to pay the maximum matching funds to all qualified participating candidates, the Commission shall notify the Controller to withhold amounts sufficient to ensure that each qualified participating candidate will receive a pro rata share of the applicable maximum. The amounts withheld will be paid if the Ethics Commission subsequently determines that there is sufficient money to pay the maximum matching funds.

Recommended Changes
Public Matching Funds Regulations
Los Angeles Administrative Code, Division 24, Chapter 3

Sec. 24.31. Procedural Regulations for the Public Matching Funds Program.

(a) Scope. This chapter sets forth the procedural requirements of the Matching Funds Program.

(b) Definitions. The following terms used in this Chapter have the meanings identified below. Other terms used in this Chapter have the meanings identified in the Political Reform Act, Charter Sections 470 and 471, and Municipal Code Sections 49.7.1, et seq.

(4) **“Debate”** means a discussion between two or more candidates who have qualified to appear on a ballot for elected City office that is moderated by an independent third party and attended by the public.

(11) **“Town Hall Meeting”** means an event that is conducted by a participating candidate, attended by the public, and focused on communicating the candidate’s views.

(14) **“Treasurer”** means the treasurer identified on a participating candidate’s Statement of Organization (California Fair Political Practices Commission Form 410).

Sec. 24.32. Accepting and Qualifying For Matching Funds.

(a) Statement of Acceptance or Rejection of Matching Funds.

(1) Each candidate for elected City office must file with the Ethics Commission a Statement of Acceptance or Rejection of Matching Funds as required by Municipal Code Section 49.7.22.

(2) The following must be provided in every Statement of Acceptance or Rejection of Matching Funds:

(A) The candidate’s name and an address and telephone number at which the candidate can be reached during regular business hours;

(B) The elected City office the candidate is seeking;

(C) The election for which the statement is filed;

- (D) Whether or not the candidate elects to accept public matching funds;
 - (E) A statement that the candidate understands that the acceptance or rejection of matching funds is effective for both the primary election and the general election;
 - (F) The candidate's certification under penalty of perjury; and
 - (G) The candidate's signature.
- (3) Participating candidates must also certify the following on the Statement of Acceptance or Rejection of Matching Funds:
- (A) The candidate understands the requirements in the City's Campaign Finance Ordinance (Municipal Code Sections 49.7.1, et seq.) and that those requirements must be satisfied before the candidate may receive public funds;
 - (B) The candidate ~~agrees to understand that the candidate must either participate in at least one a debate with one or more opponents in the primary election and at least two debates with the opponent in the general election or conduct a town hall meeting;~~
 - (C) The candidate has not made and will not make expenditures in excess of the expenditure ceilings in Municipal Code Section 49.7.24, unless those limits have been lifted under Municipal Code Section 49.7.25;
 - (D) The candidate has not used and will not use personal funds for the election in excess of the limits in Municipal Code Section 49.7.23(C)(5);
 - (E) The candidate has not used and will not use matching funds in violation of federal, state, or City law or to pay fines, penalties, or inauguration expenses;
 - (F) The candidate understands that the candidate and the candidate's treasurer must attend the training required by Municipal Code Section 49.7.12 before receiving any matching funds;
 - (G) The candidate understands that the acceptance of matching funds is effective for both the primary and general elections;
 - (H) The candidate understands that if another candidate for the same office is a non-participating candidate, the candidate may withdraw from the program up to five business days after the final filing date for filing a Declaration of Intention to Become a Candidate; and

- (I) The candidate understands that not abiding by the terms of the program will result in disqualification from the program and may require the candidate to return all matching funds received for that election.

(b) Determination of Qualification.

- (1) A participating candidate must meet all qualification requirements in this Chapter and Municipal Code Sections 49.7.1 et seq. in order to receive matching funds.

- (2) A participating candidate must file a request for qualification with the Ethics Commission.

- (A) The request must include the following information:

- (i) The date of the request;

- (ii) The information in Sections 24.34(a)(1)–(47);

- (iii) The information in Sections 24.34(a)(78)(B)(i)–(iv) for each qualified contribution used to comply with Municipal Code Section 49.7.23(C)(1)(a) and 49.7.23(C)(2). Contributions must be listed alphabetically by the last names of the contributors, ~~with contributions required under paragraph (C) alphabetized separately;~~

- (iv) The documentation required by Sections 24.34(a)(85), ~~24.34(a)(8)(B)(ii), and 24.34(a)(9);~~ and

- (v) The certification required by Section 24.34(a)(910).

- (B) The request must be filed with the Ethics Commission prior to the date of the primary election. For candidates who do not qualify to receive matching funds in the primary election and proceed to the general election, the request must be filed prior to the date of the general election.

- (C) The request must identify at least ~~200~~100 contributions that comply with the requirements in Municipal Code Section 49.7.23(C)(2). The participating candidate and treasurer must certify under penalty of perjury that, to the best of their knowledge and belief, the identified contributions comply with the requirements. ~~[Alternate: delete paragraph]~~

- (D) The request and the first matching funds claim may be the same document, as long as all required information is provided.

Sec. 24.34. Matching Funds Payments.

(a) **Claim Form.** A participating candidate must file a matching funds claim form with the Ethics Commission to receive matching funds. The form must include all of the following:

- (1) The participating candidate's name and an address and telephone number at which the participating candidate may be reached during regular business hours;
- (2) The elected City office the participating candidate is seeking;
- (3) The election for which the form is filed;
- (4) The name and identification number of the participating candidate's controlled committee;

(5) The date the candidate participated in a debate with one or more opponents or conducted a town hall meeting, along with a copy of the invitation to or announcement of the event.

~~(56)~~ The date the claim is submitted;

~~(67)~~ The total amount of matching funds claimed through the form;

~~(78)~~ A list of all qualified contributions for which the participating candidate claims matching funds;

(A) The list must be alphabetical by the last names of the contributors; and

(B) The following information must be provided for each qualified contribution:

(i) The contributor's name, residence address, occupation, and employer (or, if the contributor is self-employed, the name of the contributor's business);

(ii) The contributor's certification ~~that the information provided under paragraph (i) is correct and that the address provided is the contributor's residence address~~ required by Municipal Code Section 49.7.16(B);

(iii) The date the contribution was received;

(iv) The amount of the contribution;

(v) The cumulative amount of contributions received from that contributor for the same election;

(vi) The portion of the contribution for which matching funds are claimed;
and

(vii) The cumulative amount of matching funds already received for the
same election based on contributions from that contributor.

| (~~89~~) A true and correct copy of documentation that supports each listed contribution.
Supporting documentation includes copies of checks, credit card transaction
receipts, and cash receipts; and

| (~~910~~) A certification signed under penalty of perjury by both the participating candidate
and the treasurer that all contributions have been deposited into the controlled
committee's campaign checking account and that, to the best of their knowledge
and belief, the form and all supporting documents are true and complete and all
contributions are from City residents.



Ethics Policy <ethics.policy@lacity.org>

Suggestions to draft contributor form

nancy dolan [REDACTED]

Tue, Jun 12, 2018 at 3:52 PM

To: "ethics.policy@lacity.org" <ethics.policy@lacity.org>, "david.tristan@lacity.org" <david.tristan@lacity.org>

Thank you for creating a mandatory form for use by all committees. I think it would be helpful for everyone to use the same basic form. And I absolutely think that the use of this form/remit envelope will save all of us time in the long run and reduce the confusion by donors that have previously commented that they didn't need to provide as much information as I asked for to other committees that they donated to.

I do have a few suggestions for the draft contributor form.

1. Cash (should indicate max allowable cash contribution)
2. Credit Card - add a line for Billing address (if different than below) Often we have to call donors because they put their home address and the billing address is different, so the card will not go through.
3. Address Lines should indicate: Address/City/State/Zip (otherwise, folks will just put in street address. Also should indicate No P.O. Boxes.
4. Need to add donor phone/ email - which we need to contact donors that have not provided the necessary info or to tell them that we must return their contribution.
5. Additionally, there has to be enough room on the form/remit envelope to include the required "Paid for by..." disclaimer, as well as The Campaign Masthead must have room for Campaign Committee address, phone, fax, email.

I am happy to answer any questions or provide additional input.

Nancy Dolan

(Campaign Finance Director)

Name (Last, First, Middle)	
Street Address	
City, State, Zip Code	
Email	Phone
City Office Sought (include council district number if applicable)	Date of Election

Acceptance or Rejection

Check only ONE box. Your choice applies for both the primary election and the general election:

I **REJECT** public matching funds and forfeit the opportunity to accept public matching funds for the primary and general election campaign for the elective City office identified above.

I **ACCEPT** public matching funds and declare the following:

I understand the requirements in Los Angeles Municipal Code (LAMC) §§ 49.7.1 *et seq.* and Los Angeles Administrative Code (LAAC) §§ 24.31–24.38 and understand that those requirements must be satisfied before I may receive public funds;

I ~~agree to participate in at least one~~ understand that I must either participate in a debate (as defined by LAAC § 24.31(b)(4)) ~~in the primary election and, if applicable, two debates in the general election or conduct a town hall meeting (as defined by LAAC § 24.31(b)(11));~~

I have not made and will not make any expenditures in excess of the applicable expenditure limit in LAMC § 49.7.24, unless that limit has been lifted as provided in LAMC § 49.7.25;

I have not used and will not use personal funds (including loans) for the election in excess of the applicable limit in LAMC § 49.7.23(C)(5);

I have not used and will not use matching funds in violation of federal, state, or City law or to pay fines, penalties, or inauguration expenses;

I understand that my committee treasurer and I must attend the training required by LAMC § 49.7.12 before receiving any matching funds;

I understand that I may withdraw from the matching funds program within five business days after the final date for filing a Declaration of Intention to Become a Candidate but only if another candidate for the same office has rejected the program; and

I understand that failing to abide by the terms of the program will result in my disqualification from the program and may require me to return all matching funds received for this election.

Certification

I declare under penalty of perjury under the laws of the City of Los Angeles and the State of California that the information above is true and complete.

Candidate Signature

Date

Candidate Name (Last, First, Middle)		Date of Request/Claim
Committee Name		ID Number
Office Sought (include district number if applicable)	Date of Election	<u>Date of Debate or Town Hall Meeting</u>

Type of Form

Qualification Request

Original filing Amended filing (original signed on _____; last amendment signed on _____.)

Payment Claim

Original filing Amended filing (original signed on _____; last amendment signed on _____.)

Amount of matching funds claimed through this form: \$ _____

Qualification Request and Payment Claim

Original filing Amended filing (original signed on _____; last amendment signed on _____.)

Amount of matching funds claimed through this form: \$ _____

Documentation Requirements

For **qualification requests**, you must submit the following **electronically**:

- The spreadsheet described on page 2 of this form, identifying:
 - Contributions from individuals ~~residing within the City and~~ totaling the applicable amount in LAMC § 49.7.23(C)(1)(a); and
 - Contributions of \$5 or more from at least 100 individuals residing in the City Council district or, for Citywide candidates, the City (indicated by checking "In District or In City" column) [Alternate: delete paragraph].
- Documentation supporting each contribution (copies of checks, credit card receipts, contributor certifications, etc.).
- The invitation to or announcement of the debate or town hall meeting identified above.

For **payment claims**, you must submit the following **electronically**:

- The spreadsheet described on page 2 of this form, identifying contributions from individuals ~~residing within the City and~~ representing the minimum amount required by LAMC § 49.7.28(A).
- Documentation supporting each contribution (copies of checks, credit card receipts, contributor certifications, etc.).

Certification

I declare under penalty of perjury under the laws of the City of Los Angeles and the state of California that all contributions have been deposited into the campaign checking account of the committee identified above and that, to the best of my knowledge and belief, this form and all supporting documents are true and complete and all contributions are from City residents/individuals.

Candidate Signature

Date

Treasurer Signature

Date

Treasurer Name

Claim # _____	Ethics Commission Use Only		Rate 1:1 _____ 2:1/4:1 _____	
	Approved payment for this claim:	\$ _____		Verified _____
	Amounts previously paid:	\$ _____		
	Total payments to date:	\$ _____		

Along with a completed and signed copy of page 1 of this form, you must submit an electronic spreadsheet that identifies all qualified contributions associated with this qualification request or payment claim.

Your spreadsheet must identify the name of the committee, the committee ID number, and the date of the qualification request or payment claim.

The contributions must be listed in alphabetical order by contributor last name. The spreadsheet must also include the following columns:

1. Contributor Last Name
2. Contributor First Name
3. Residence Street Address
4. Residence City
5. Residence Zip Code
6. Occupation
7. Employer
8. Date Contribution Received
9. Amount of Contribution
10. Matchable Amount of Contribution
11. Amount Previously Matched for This Contributor
12. Total Contributions From This Contributor
13. In District (Council) or In City (Citywide) *[for qualification only]*

A spreadsheet template is available at ethics.lacity.org/XXX, and a sample is provided below.

Sample Spreadsheet

Qualified Contributions

Committee: Karen for Council 2024 (ID Number 9210734)

Form 22 Date: January 29, 2024

Original

Amendment; original signed on December 30, 2023)

Contributor Last Name	Contributor First Name	Residence Street Address	Residence City	Residence Zip Code	Occupation	Employer	Date Contribution Received	Amount of Contribution	Matchable Amount of Contribution	Amount Previously Matched for this Contributor	Total Contributions from this Contributor	In District (Council) or In City (Citywide)?
Baker	Terry	800 3rd St	Los Angeles	90012	Retired	n/a	11/1/2023	\$50	\$50	\$0	\$50	Y
Lee	Ross	222 Main St	Los Angeles	90012	Teller	Bank of LA	10/15/2023	\$200	\$200	\$0	\$200	Y
Rodriguez	Annette	400 Spring	Los Angeles	90012	Senior VP	Hope, Inc.	10/30/2023	\$700	\$250	\$0	\$700	Y
Sanjay	Adam	987 City St	Los Angeles	90287	Attorney	Smith & Jones	11/1/2023	\$100	\$50	\$200	\$300	N
Williams	Robert	341 8th St	Los Angeles	90012	Painter	Bob's Painting	12/16/2023	\$25	\$25	\$0	\$25	Y

Additional information about the matching funds program is available in the candidate guide:

ethics.lacity.org/publications

Request for Accelerated Matching Funds

This is **not** a nominating petition or voting material. Signatures on this form will **not** be counted for purposes of qualifying a candidate to appear on the ballot.

City Candidate Name: _____

City Office Sought: _____

The City candidate named above is voluntarily seeking to receive public funds for campaign purposes at an accelerated rate of match. We, the undersigned individuals, are qualified and registered to vote in the election for the City office named above and hereby request that the City candidate named above be entitled to receive accelerated matching funds pursuant to Los Angeles Municipal Code § 49.7.27(C)(2).

Circulator Certification

*The instructions for this form are the same as the instructions for the nominating petitions.
Please refer to those instructions when gathering signatures for or signing this form.*

I, _____, do hereby certify that my present, precise residential address is _____ and that I was at least 18 years of age at the time I circulated this form for signatures. Each signature on the attached sheets is genuine and was affixed to the form on the date shown, in my presence, by a separate individual who declared at the time of signing to be a qualified, registered voter of the City of Los Angeles and to be actually residing at the address provided. Each signer's name and address on the attached sheets was either personally written by that signer or completed by someone acting with the authority and on the direction of that signer.

I declare under penalty of perjury under the laws of the City of Los Angeles and the state of California that the information above is true and complete.

Date

Signature

Name

Residence Address

City

Zip Code

RETURN COMPLETED FORMS TO:

*City Clerk Elections Division
Piper Technical Center
555 Ramirez Street, Space 300
Los Angeles, CA 90012
(213) 978-0444*

Request for Accelerated Matching Funds

This is **not** a nominating petition or voting material. Signatures on this form will **not** be counted for purposes of qualifying a candidate to appear on the ballot.

City Candidate Name: _____

City Office Sought: _____

Page ___ of ___

SIG #	LN #	VOTER	ADDRESS	DATE	OFFICE USE ONLY
	1	Print Name	Residence Address (No P.O. Box)	Birthdate*	
		Signature	City Zip	Today's Date	
	2	Print Name	Residence Address (No P.O. Box)	Birthdate*	
		Signature	City Zip	Today's Date	
	3	Print Name	Residence Address (No P.O. Box)	Birthdate*	
		Signature	City Zip	Today's Date	
	4	Print Name	Residence Address (No P.O. Box)	Birthdate*	
		Signature	City Zip	Today's Date	
	5	Print Name	Residence Address (No P.O. Box)	Birthdate*	
		Signature	City Zip	Today's Date	
	6	Print Name	Residence Address (No P.O. Box)	Birthdate*	
		Signature	City Zip	Today's Date	
	7	Print Name	Residence Address (No P.O. Box)	Birthdate*	
		Signature	City Zip	Today's Date	
	8	Print Name	Residence Address (No P.O. Box)	Birthdate*	
		Signature	City Zip	Today's Date	
	9	Print Name	Residence Address (No P.O. Box)	Birthdate*	
		Signature	City Zip	Today's Date	
	10	Print Name	Residence Address (No P.O. Box)	Birthdate*	
		Signature	City Zip	Today's Date	

*Optional: Birth month and date may be used to locate voter registration file for the purpose of signature verification. Only the month and date are needed.

[Campaign Masthead]

I would like to make a contribution of: \$800 \$500 \$250 \$100 Other: \$ _____

Type of contribution:

- Cash (\$25 maximum).
 Check made payable to [committee name].
 Credit card:

Name on Card: _____ Exp. Date: _____

Card Number: _____ Security Code: _____

Billing Address: _____

Email: _____ Phone: _____

***** The information and certifications below are required by law. *****

I am an individual, and this contribution is from my personal funds.

Name: _____

Address: _____
Street (no PO boxes) City State Zip Code

- This is my residence address (required for public matching funds).
 This is *not* my residence address.

Occupation: _____

I am: Self-employed, and the name of my business is:

Not self-employed, and my employer is:

I am a business, and this contribution is from my business funds.

Name: _____

Address: _____
Street (no PO boxes) City State Zip Code

I certify the following:

- *This contribution is not being made under a false name, is not being made under another person's name, and has not been and will not be reimbursed.*
- *This contribution does not cause me to exceed my contribution limit of \$XXX. I understand that all contributions I make to this candidate or committee must be cumulated. I understand that a contribution from another individual or entity whose contribution activity I control, such as a business that I own or control, must be aggregated with this contribution, and both contributions will be treated as a single contribution from me.*
- *I am a United States citizen or a lawfully admitted permanent resident (i.e., green card holder).*
- *I am not a lobbyist or lobbying firm that is prohibited from contributing under Los Angeles City Charter § 470(c)(11).*
- *I am not a bidder, sub-contractor, principal, or underwriting firm that is prohibited from contributing under Los Angeles City Charter § 470(c)(12) or 609(e).*

I certify under penalty of perjury under the laws of the City of Los Angeles and the state of California that all of the information above is true and correct.

Name

Date

Signature

Title (if signing for a business)