

# Officeholder and Legal Defense Ordinance

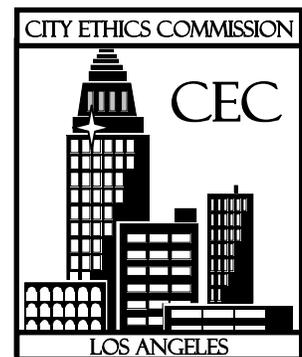
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◆◆◆ Los Angeles Municipal Code §§ 49.7.19 - 21

*Last Revised March 13, 2015*

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**Officeholder and Legal Defense Ordinance  
Los Angeles Municipal Code  
Chapter IV, Article 9.7  
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## Officeholder and Legal Defense Ordinance

*Los Angeles Municipal Code Chapter IV, Article 9.7*

Added by Ordinance No.165607, effective 4/21/90.

Amended in the entirety by Ordinance No.182264, effective 10/29/12.

### **SEC. 49.7.19. OFFICEHOLDER COMMITTEES.**

- A. To effectively serve and fulfill their responsibilities to residents of the City, elected City officers communicate with constituents, undertake efforts to assure efficient City services, and engage in professional development activities. To accomplish these duties and responsibilities, an elected City officer may control one officeholder committee to pay for expenses that relate to carrying out the duties associated with holding elected City office.
- B. An individual may establish an officeholder committee once the City Clerk has certified election results indicating that the individual has been elected to City office.
- C. The committee shall establish one checking account at an office of a financial institution located in the City. All contributions received in connection with the officeholder committee shall be deposited into that account.
- D. An officeholder committee may not make or incur an expenditure unless it is related to assisting, serving, or communicating with constituents or otherwise made in connection with the official City duties of the elected City officer and it falls into one or more of the following categories:
  1. Fundraising for the officeholder committee.
  2. Office equipment, furnishings, supplies, and rent.
  3. Compensation of staff employed by the officeholder committee to provide services to the committee.
  4. Consulting, research, polling, photography, video or audio recording, and similar services.
  5. Events, including but not limited to meetings, meals, conferences, and receptions, that are attended in the performance of governmental duties by the elected City officer or a member of the elected City officer's staff. These expenditures may include the following:
    - a. Fees for materials, registration, or admission.
    - b. Transportation to and from the event.
    - c. Food and beverages during the event.
    - d. Lodging, food and beverages, and other travel-related expenditures the day prior to, the day of, and the day following the event if the attendee cannot reasonably be housed at home. These expenditures also may be incurred and made for members of the elected City officer's immediate family and household.

- e. Site fees, advertising brochures, invitations, materials and refreshments distributed to attendees, equipment, services, and other incidental expenses for events that are officially hosted or sponsored by the elected City officer.
6. Donations to an organization that has received a federal tax exemption under Internal Revenue Code Section 501(c)(3) when a majority of the expenditure can be deducted as a charitable deduction for federal income tax purposes. A donation may be the purchase of tickets to a charitable event, provided that no substantial part of the proceeds from the event will personally benefit the elected City officer, a member of the elected City officer's immediate family or household, a member of the elected City officer's staff, the officeholder committee, or the officeholder committee's treasurer.
  7. Membership of the elected City officer or a member of the elected City officer's staff to a civic or professional organization if the membership serves a governmental or legislative purpose.
  8. An educational course or seminar that maintains or improves skills employed by the elected City officer or a member of the elected City officer's staff in the performance of governmental duties.
  9. Advertisements and testimonials that do not support or oppose a ballot measure or the nomination, election, or recall of a candidate for elective office.
  10. Officeholder communications that provide information related to City-sponsored events, government services, the requirements of the law, or the elected City officer's position on a City matter.
  11. Admission to political events and related costs if both of the following apply:
    - a. No substantial part of the proceeds will personally benefit the elected City officer, a member of the elected City officer's immediate family or household, a member of the elected City officer's staff, the officeholder committee, or the officeholder committee's treasurer; and
    - b. The expenditure does not violate Subsection E(1).
  12. Expressions of congratulations, appreciation, or condolence for constituents, employees, governmental officials, or other individuals with whom the elected City officer communicates in an official capacity. No more than \$140 may be expended per individual recipient per event. This amount is subject to adjustment under Section 49.7.3.
  13. Celebrations held by the elected City officer to honor or thank members of the elected City officer's staff or in connection with a holiday that are attended primarily by the elected City officer's staff.
  14. Tax liabilities incurred by the officeholder committee.

15. Accounting, legal, and administrative services provided to the officeholder committee.
16. Unforeseen obligations of the elected City officer's campaign committee that came to the attention of the elected City officer after the campaign committee was closed or redesignated.
17. An expenditure similar to the specified expenditures if, prior to making the expenditure, the elected City officer or the officeholder committee has received advice from the Ethics Commission that the expenditure is permissible pursuant to this Subsection. The Ethics Commission shall respond to requests for approval within five business days after a request is received, unless the request is made under Charter Section 705(b).

E. Officeholder committees may not make or incur expenditures for the following:

1. Expenditures to support or oppose a ballot measure or a candidate for elective office.
2. Membership in an athletic, social, fraternal, veteran, or religious organization.
3. Supplemental compensation for City employees for performing an act required or expected of the employee in the regular course of City duties.
4. Expenditures that would violate Article 3 or 4 of Chapter 9.5 of Title 9 of the Government Code.

F. A person may not make, and an elected City officer or officeholder committee may not solicit or accept or cause to be solicited or accepted, a contribution to the officeholder committee from another person that, during a fiscal year, causes cumulative contributions from that person to exceed the per-person City campaign contribution limit that applies to the elected City officer's elected City office under Section 49.7.3(B)(2)(a) or Section 49.7.3(B)(2)(b).

1. If the per-person City campaign contribution limit increases under Section 49.7.3, the new limit applies to contributions to the officeholder committee during that fiscal year.
2. This Subsection does not prohibit an elected City officer from obtaining a personal loan of any amount and duration from a licensed financial lending institution in the regular course of business on the same terms available to members of the public.

G. The following limitations apply to City Council members and their officeholder committees.

1. A City Council member and a City Council member's officeholder committee may not solicit or accept or cause to be solicited or accepted a contribution from another person that would cause either of the following to exceed \$93,000 at any time during a fiscal year:
  - a. The amount of contributions from all persons to the officeholder committee; or

- b. The total outstanding balance of the officeholder committee's funds.
  - 2. Funds other than public matching funds that remain in another City campaign or officeholder committee controlled by a City Council member may be transferred into the City Council member's officeholder committee. The amount of funds transferred shall not exceed \$93,000 per fiscal year and shall reduce by an equal amount the contributions that may be solicited by or accepted for the officeholder committee during that fiscal year.
  - 3. The officeholder committee may not make or incur expenditures that cumulatively exceed \$93,000 in a fiscal year.
  - 4. Contributions solicited or received or caused to be solicited or received after the City Council member leaves City Council office shall be used only to retire the officeholder committee's debt.
  - 5. The amounts in Paragraphs 1, 2, and 3 are subject to adjustment under Section 49.7.3.
- H. The following limitations apply to Citywide office holders and their officeholder committees.
- 1. A Citywide office holder and a Citywide office holder's officeholder committee may not solicit or accept or cause to be solicited or accepted a contribution from another person that would cause either of the following to exceed \$150,000 at any time during a fiscal year:
    - a. The amount of contributions from all persons to the officeholder committee; or
    - b. The total outstanding balance of the officeholder committee's funds.
  - 2. Funds other than public matching funds that remain in another City campaign or officeholder committee controlled by a Citywide office holder may be transferred into the Citywide office holder's officeholder committee. The amount of funds transferred shall not exceed \$150,000 per fiscal year and shall reduce by an equal amount the contributions that may be solicited by or accepted for the officeholder committee during that fiscal year.
  - 3. The officeholder committee may not make or incur expenditures that cumulatively exceed \$150,000 in a fiscal year.
  - 4. Contributions solicited or received or caused to be solicited or received after the Citywide office holder leaves Citywide office shall be used only to retire the officeholder committee's debt.
  - 5. The amounts in Paragraphs 1, 2, and 3 are subject to adjustment under Section 49.7.3.
- I. From the date the elected City officer files a Declaration of Intention to Become a Candidate with the City Clerk's office through the date of the last election for which the declaration was filed and the elected City officer appears on the ballot or is a qualified write-in candidate, the officeholder committee

may make or incur only the following types of expenditures:

1. Expenditures under Paragraphs (1), (2), (3), (6), (7), (8), (12), (13), (14), (15), (16), and (17) of Subsection D.
2. Expenditures under Paragraph (5) of Subsection D if the event is attended primarily by the officeholder's staff in the conduct of official City business.
3. Expenditures under Paragraph (10) of Subsection D if both of the following apply:
  - a. The officeholder communication does not consist of more than 200 substantially similar pieces; and
  - b. The officeholder communication does not contain the elected City officer's name or photograph. This does not apply if the elected City officer's name appears as part of an electronic mail or Internet address or only once on a letterhead or envelope.

*History:*

*Amended by Ord. 172480, effective 4/10/99.*

*Amended by Ord. 172481, effective 4/10/99.*

*Amended by Ord. 175344, effective 8/16/03.*

*Amended by Ord. 182264, effective 10/29/12.*

*Renumbered by Ord. 182264, effective 10/29/12 (prev. 49.7.12(A)).*

*Amended by Ord. No. 183414, effective 3/13/15.*

**SEC. 49.7.20. LEGAL DEFENSE COMMITTEES.**

- A. A current or former elected City officer or candidate for elected City office may control one or more legal defense committees.
1. A legal defense committee may be used solely to defray attorney's fees and other legal costs incurred in the

legal defense of the current or former elected City officer or candidate for elected City office in a civil or criminal court case, an administrative proceeding, or an Ethics Commission matter arising directly out of the conduct of a City election campaign, the City's electoral process, or the performance of City duties.

2. The current or former elected City officer or candidate for elected City office shall file with the Ethics Commission a Statement of Purpose identifying the specific case, proceeding, or matter for which the legal defense committee is established.
3. The legal defense committee shall be named "The [name of the current or former elected City officer or candidate for elected City office] Legal Defense Committee for [number of the case, proceeding, or matter or, if a number does not exist, a brief description of the case, proceeding, or matter]."

- B. Contributions to legal defense committees are subject to the following:

1. A current or former elected City officer or candidate for elected City office may not solicit or accept a contribution or cause a contribution to be solicited or accepted before the committee is established and the Statement of Purpose has been filed.
2. The committee shall establish a separate checking account at an office of a financial institution located in the City. All contributions received

by the legal defense committee shall be deposited into that account.

3. A person may not make and the committee or the person who controls the committee may not solicit or accept or cause to be solicited or accepted contributions from another person that, during a fiscal year, cumulatively exceed the per-person campaign contribution limit that applies to candidates for Citywide office under Section 49.7.3(B)(2)(b).
  - a. If the per-person contribution limit applicable to candidates for Citywide office increases under Section 49.7.3, the new limit applies to contributions to the committee during that fiscal year.
  - b. This paragraph does not prohibit the person who controls the committee from obtaining a personal loan of any amount and duration from a licensed financial lending institution in the regular course of business on the same terms available to members of the public.

C. Expenditures by a legal defense committee are subject to the following:

1. An expenditure must be related to the case, proceeding, or matter identified in the Statement of Purpose.
2. All expenditures by the committee must be made from the committee's checking account.
3. Within 180 days after the final conclusion of the case, proceeding,

or matter and the payment of all debts incurred in connection with that case, proceeding, or matter, funds remaining in the committee's checking account shall be disposed of by repayment of contributions to contributors, by transfer to another legal defense committee, or by payment to the City's General Fund.

- D. This Section is the sole authority for soliciting or accepting contributions for the defense of a current or former elected City officer or candidate for elected City office in a case, proceeding, or matter arising out of a City election campaign, the City's electoral process, or the performance of City duties.

*History:*  
*Amended by Ord. 182264, effective 10/29/12.*  
*Renumbered by Ord. 182264, effective 10/29/12 (prev. 49.7.12(B)).*  
*Amended by Ord. No. 183414, effective 3/13/15.*

### **SEC. 49.7.21. DISCLOSURE BY OFFICEHOLDER AND LEGAL DEFENSE COMMITTEES.**

In addition to the campaign statements required by the Political Reform Act and Section 49.7.14, an elected City officer or a candidate for elected City office who controls an officeholder or legal defense committee shall file campaign statements for that committee as follows:

- A. Except as specified in Subsection B, quarterly statements shall be filed no later than the following dates:
  1. April 30 for the quarter ending March 31;
  2. July 31 for the quarter ending June 30;
  3. October 31 for the quarter ending September 30; and

4. January 31 for the quarter ending December 31.
- B. When the officeholder or candidate has filed a Declaration of Intent to Solicit and Receive Contributions, quarterly statements shall be filed no later than the following dates:
1. During the year prior to the election:
    - a. April 30 for the quarter ending March 31;
    - b. July 31 for the quarter ending June 30;
    - c. October 10 for the quarter ending September 30; and
    - d. January 10 for the quarter ending December 31.
  2. During the year of the election:
    - a. July 31 for the quarter ending June 30, including any activity not covered by the previous campaign statement;
    - b. October 31 for the quarter ending September 30; and
    - c. January 31 for the quarter ending December 31.
- C. Statements for officeholder committees shall identify the following information.
1. For each individual for whom the committee pays or reimburses travel expenses totaling \$100 or more for a single event:
    - a. The name of the recipient;
    - b. The legislative or governmental purpose of the travel;
    - c. The dates of the recipient's departure and return;
    - d. The event attended;
    - e. The dates of the event;
    - f. The location of the event, including city and state or country;
    - g. The date and amount of each expenditure; and
    - h. The name and address of the payee for each expenditure.
  2. For each individual who receives food or beverage totaling \$50 or more paid for or reimbursed by the committee at a single event:
    - a. The name of the recipient;
    - b. The government business conducted;
    - c. The date and amount of each expenditure;
    - d. The name and address of the payee for each expenditure; and
    - e. The name and address of each source of the food and beverage, if different from the payees.
  3. For each individual who receives an expression of congratulations, appreciation, or condolence of \$50 or more paid for or reimbursed by the committee:
    - a. The name of the recipient;
    - b. The legislative or governmental purpose of the travel;
    - c. The dates of the recipient's departure and return;
    - d. The event attended;
    - e. The dates of the event;
    - f. The location of the event, including city and state or country;
    - g. The date and amount of each expenditure; and
    - h. The name and address of the payee for each expenditure.

- a. The name of the recipient;
- b. The purpose of the expenditure;
- c. The date and amount of the expenditure; and
- d. The name and address of the payee for the expenditure.

4. For each event hosted or sponsored under Section 49.7.19(D)(5) and (13) for which the committee makes or incurs expenditures totaling \$100 or more:

- a. The purpose of the event;
- b. The estimated number of event attendees;
- c. The date of the event;
- d. The location of the event, including city and state or country;
- e. The date and amount of each expenditure of \$50 or more; and
- f. The name and address of the payee for each expenditure of \$50 or more.

D. Reporting is required until a committee is closed or redesignated.

1. An officeholder committee must be closed or redesignated within 180 days after the elected City officer leaves elected City office.

2. A legal defense committee must be closed within 180 days after the final conclusion of the case, proceeding, or matter identified in the Statement of Purpose and all debts incurred in connection with that case, proceeding, or matter have been paid.

*History:*

*Amended by Ord. 182264, effective 10/29/12.*

*Renumbered by Ord. 182264, effective 10/29/12 (prev. 49.7.12(E)).*

*Amended by Ord. No. 183414, effective 3/13/15.*