AGGREGATE CONTRIBUTION LIMITS SUSPENDED
IN THE WAKE OF McCUTCHEON v. FEC

On the advice of the City Attorney’s office, the Ethics Commission adopted a resolution today, stating that the aggregate contribution limits in Los Angeles City Charter (Charter) sections 470(c)(6) and 803(b)(5) will not be enforced against contributors in City or Los Angeles Unified School District Board of Education (LAUSD) elections.

The City Attorney’s advice was based on the United States Supreme Court’s decision in McCutcheon v. Federal Election Commission (McCutcheon), 572 U.S. ___, No. 12-536 (S. Ct. Apr. 2, 2014). In its 5-4 ruling, the Court struck down section 441a(a)(3) of Title 2 of the United States Code, which limits the aggregate amount of money a person may contribute to all candidates in a federal election. The Court examined the federal aggregate contribution limits on First Amendment grounds and found that preventing an individual from making contributions to as many candidates and committees as the individual desires imposes a significant restriction on speech and association rights.

There are two similar aggregate contribution limits in City law. Charter section 470(c)(6) limits aggregate contributions by a single person to all candidates in a City election, and Charter section 803(b)(5) limits aggregate contributions by a single person to all candidates in LAUSD elections. The City Attorney’s office advised that enforcement of both sections should be suspended in light of the compelling legal precedent in McCutcheon.

The limits on contributions from a single person to a single candidate remain unchanged. A copy of the resolution adopted by the Ethics Commission is attached to this press release. Additional information about the City’s campaign finance laws is available at ethics.lacity.org or by contacting the Ethics Commission at (213) 978-1960.

The City Ethics Commission was created by Los Angeles voters in 1990 to impartially administer and enforce the City’s governmental ethics, campaign financing, and lobbying laws.
Los Angeles City Ethics Commission

RESOLUTION

WHEREAS the United States Supreme Court, in a 5-4 vote, decided McCutcheon v. Federal Election Commission, 572 U.S. ___, No. 12-536 (S. Ct. Apr. 2, 2014) on April 2, 2014, striking down section 441a(a)(3) of Title 2 of the United States Code; and

WHEREAS section 470(c)(6) of the Los Angeles City Charter is a provision similar to the provision at issue in the McCutcheon case in that it limits the aggregate amount of money a person may contribute to all candidates in a City election; and

WHEREAS section 803(b)(5) of Los Angeles Charter is a provision similar to the provision at issue in the McCutcheon case in that it limits the aggregate amount of money a person may contribute to all candidates in a Los Angeles Unified School District Board of Education election; and

WHEREAS the City Attorney’s office has advised that the McCutcheon case constitutes compelling legal authority to conclude that a Constitutional challenge to Los Angeles Charter section 470(c)(6) or 803(b)(5) could not be successfully defended; and

WHEREAS the City Attorney’s office has advised that, in light of the compelling legal precedent in the McCutcheon case, Los Angeles Charter sections 470(c)(6) and 803(b)(5) should not be enforced at this time; and

WHEREAS the Los Angeles City Ethics Commission has a duty to advocate understanding of the laws that affect candidates and contributors in City and Los Angeles Unified School District Board of Education elections;

THEREFORE, BE IT RESOLVED by the Los Angeles City Ethics Commission that, as of the date of this resolution, it will do the following:

• Suspend enforcement of Los Angeles City Charter sections 470(c)(6) and 803(b)(5).
• Advise that contributors are not subject to an aggregate limit on total contributions in a single City or Los Angeles Unified School District Board of Education election.

I certify that this resolution was adopted by the Los Angeles City Ethics Commission on April 17, 2014, pursuant to Los Angeles City Charter sections 702(i) and 706.

Nathan Hochman, President

Jessica Montanez, Board Secretary