

Financing of Election Campaigns

Item 39

October 10, 2023

MOTION

AUGUST 14, 2023

Motion made, seconded, and carried that City Council directs the City Manager and City Attorney to return in eight weeks with updates regarding campaign contribution limits and provide proposals that will address concerns related to campaign contributions after elections occur.

Approved 14th day of August, 2023

Overview

- Expanded scope of data
- Interactive dashboard to estimate impact of contribution limitation scenarios
- Quantified individual high contributions
- Staff recommendations

Expanded Scope of Data

Criteria

- 2020 and 2022 elections
- 37 total candidates, 6 reported no contributions
- Campaign finance reports from:
 - January and July filings
 - 30 days before and 8 days before the general election
 - 8 days before the runoff election
 - Final Report (if filed)

Data Notes

- New data points captured/referenced to filter duplicates
- Multiple contributions by person or non-person were aggregated
- Data from semiannual reports post-election was **NOT** captured
- To help inform council on the proposed ethics ordinance reporting trigger or if contribution limits are revisited

Dashboard

- Tool developed to estimate impact of contribution limitations based on suggested scenarios
- Display contribution totals across 2020-2022 races, by district and mayoral, each individual candidate that submitted a CFR

Individual Contributions Review

Dataset

- Focus on **general election** only, excludes runoff data
- Few candidates “self-funded” or reported no contributions, excluded from analysis
- Replicated concept of dependency on high contributing donors – reached out to petitioner on methodology

Previous findings using total contributions

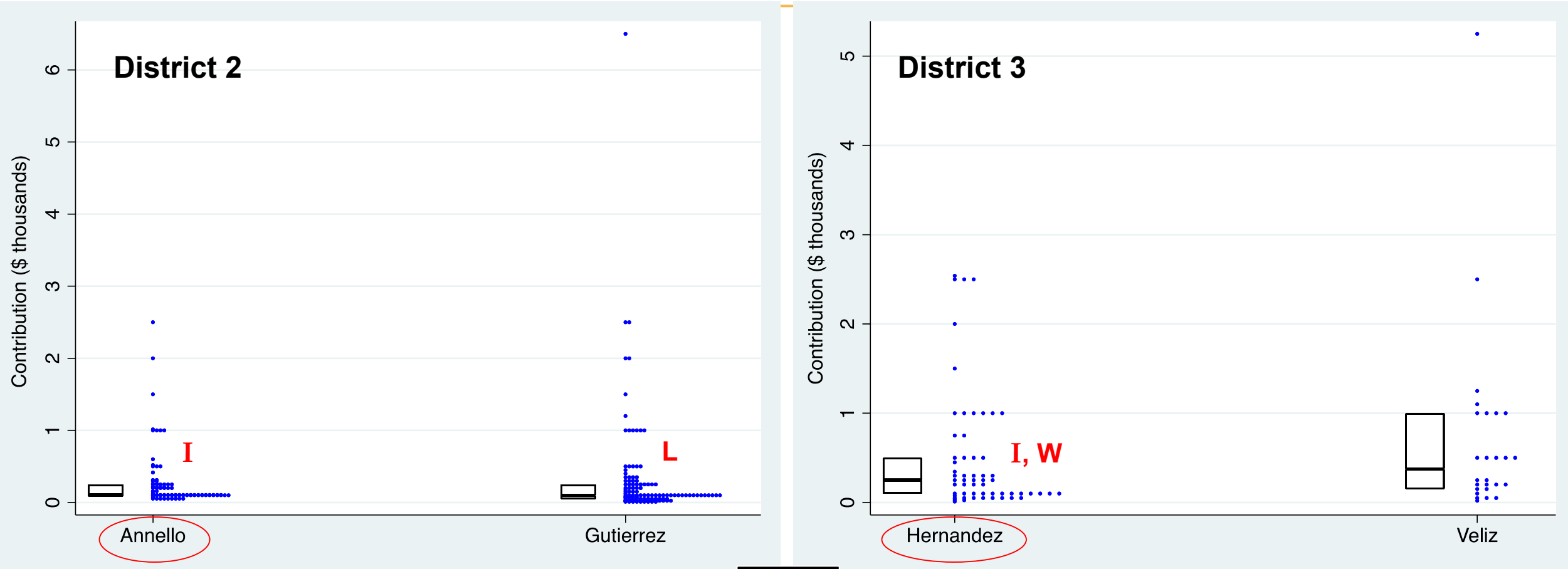
- Analyzed total dollar contributions and candidates with top contributions by district
- Being an incumbent and voter turnout matter
- Additional contributions are statistically associated with outcomes but lead to little change

Findings using individual contributions

- Similarly, more contributions help but a combination of factors influence results

BOXPLOTS AND COUNTS OF ALL CONTRIBUTIONS BY PERSONS

2020 Individual Contributions

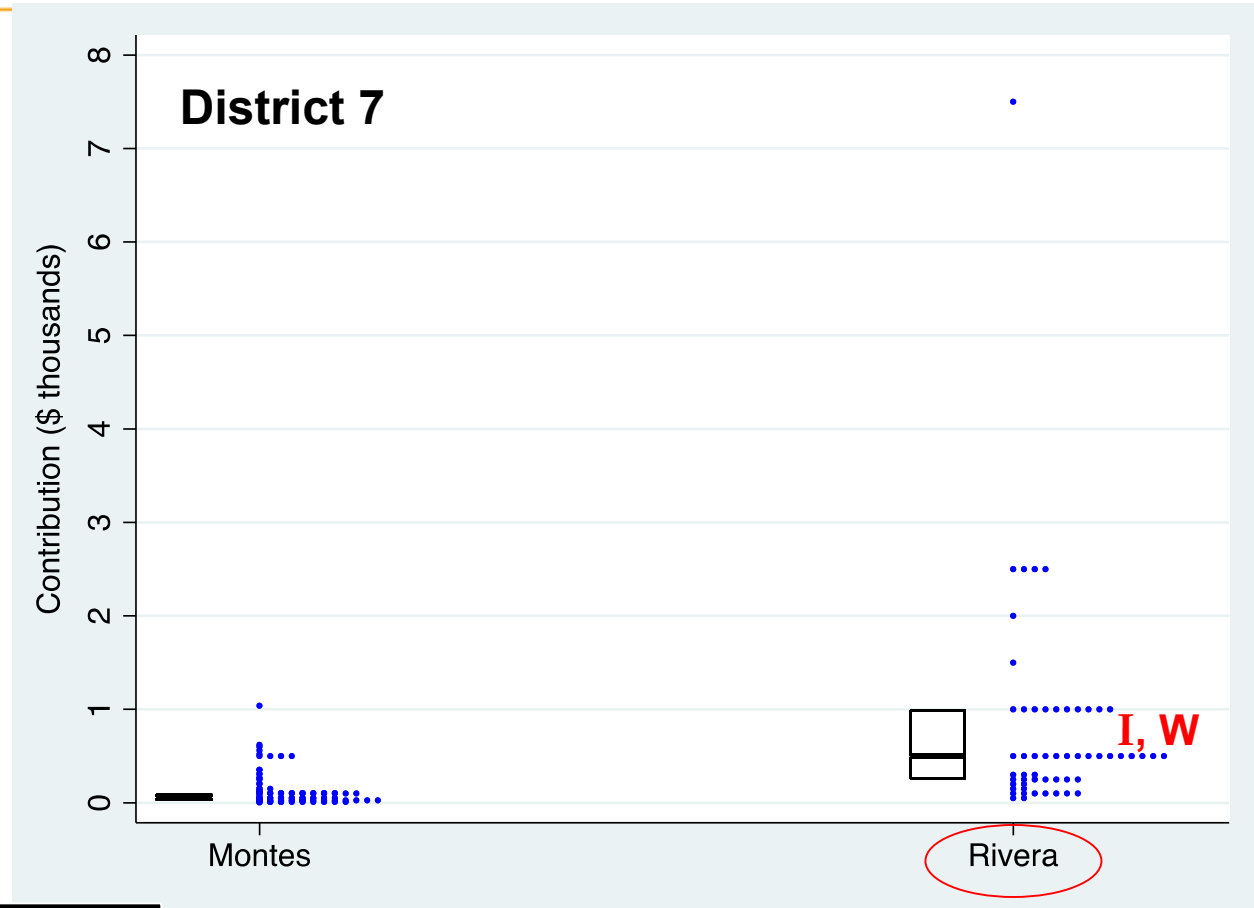
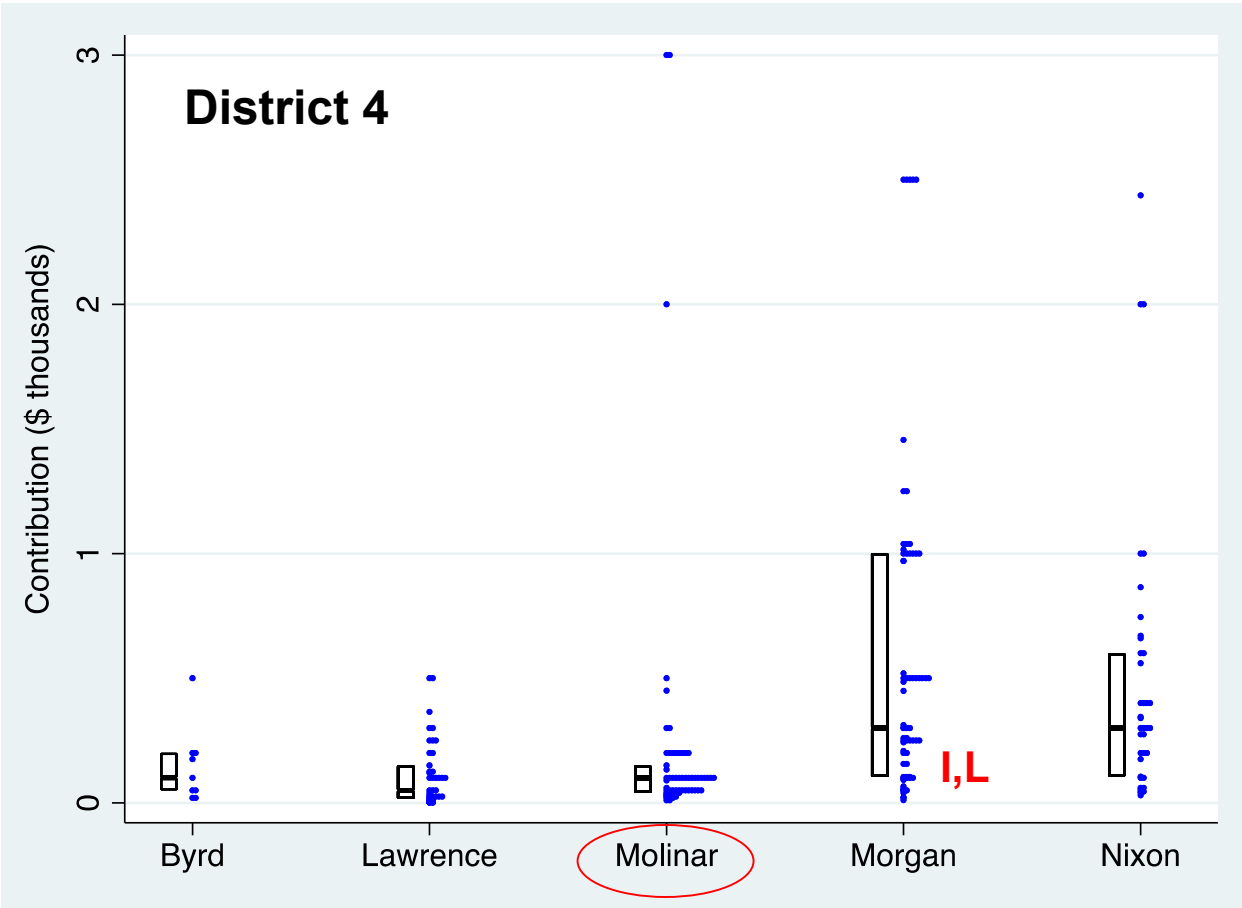


	97	123	N	59	26
	8	13	>= \$1K	12	8
	4	7	> \$1K	6	4
	37%	47.1%	% vote	54%	15.3%

12

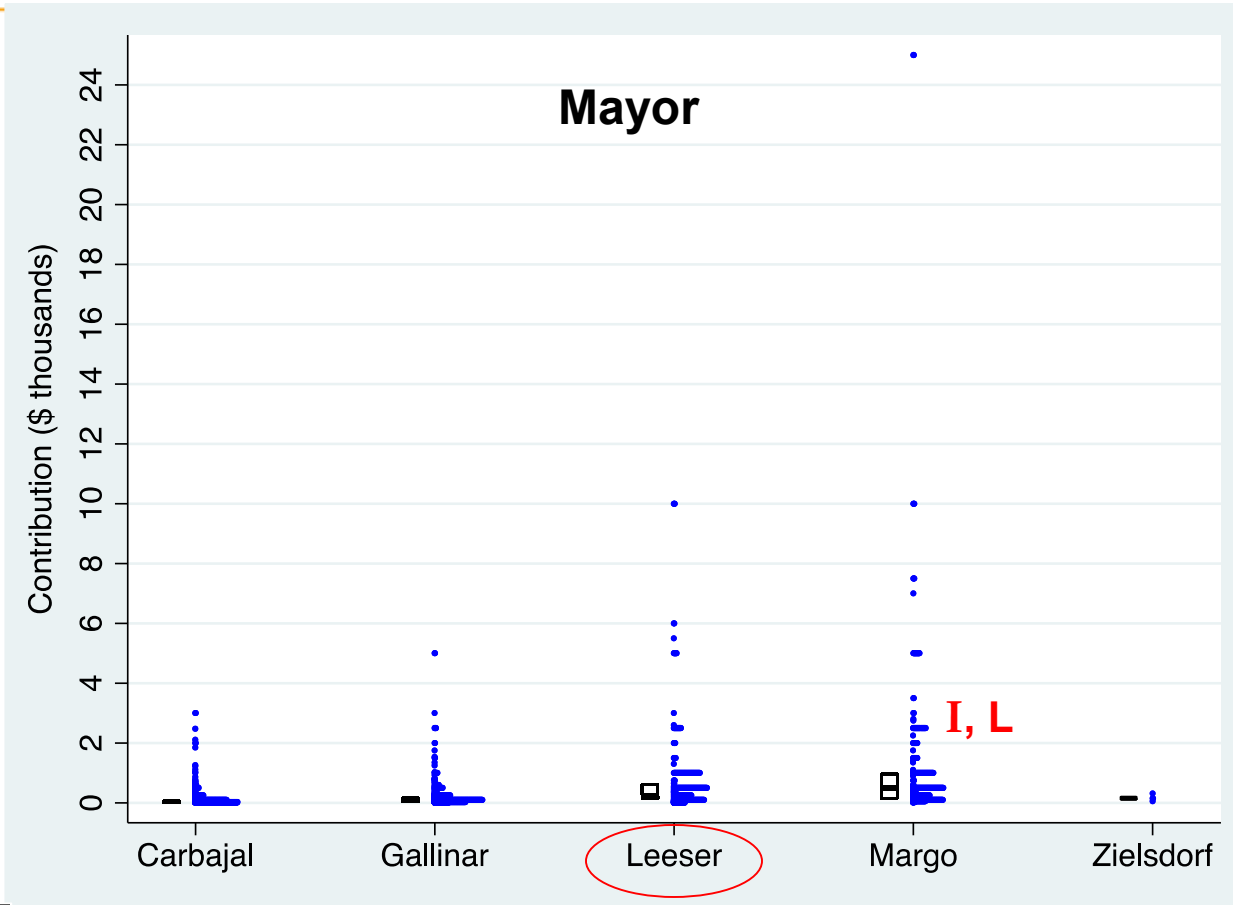
Note: N = individual contributions ; I = incumbent ; L or W = candidate with most \$1K+ donations lost or won.

2020 Individual Contributions



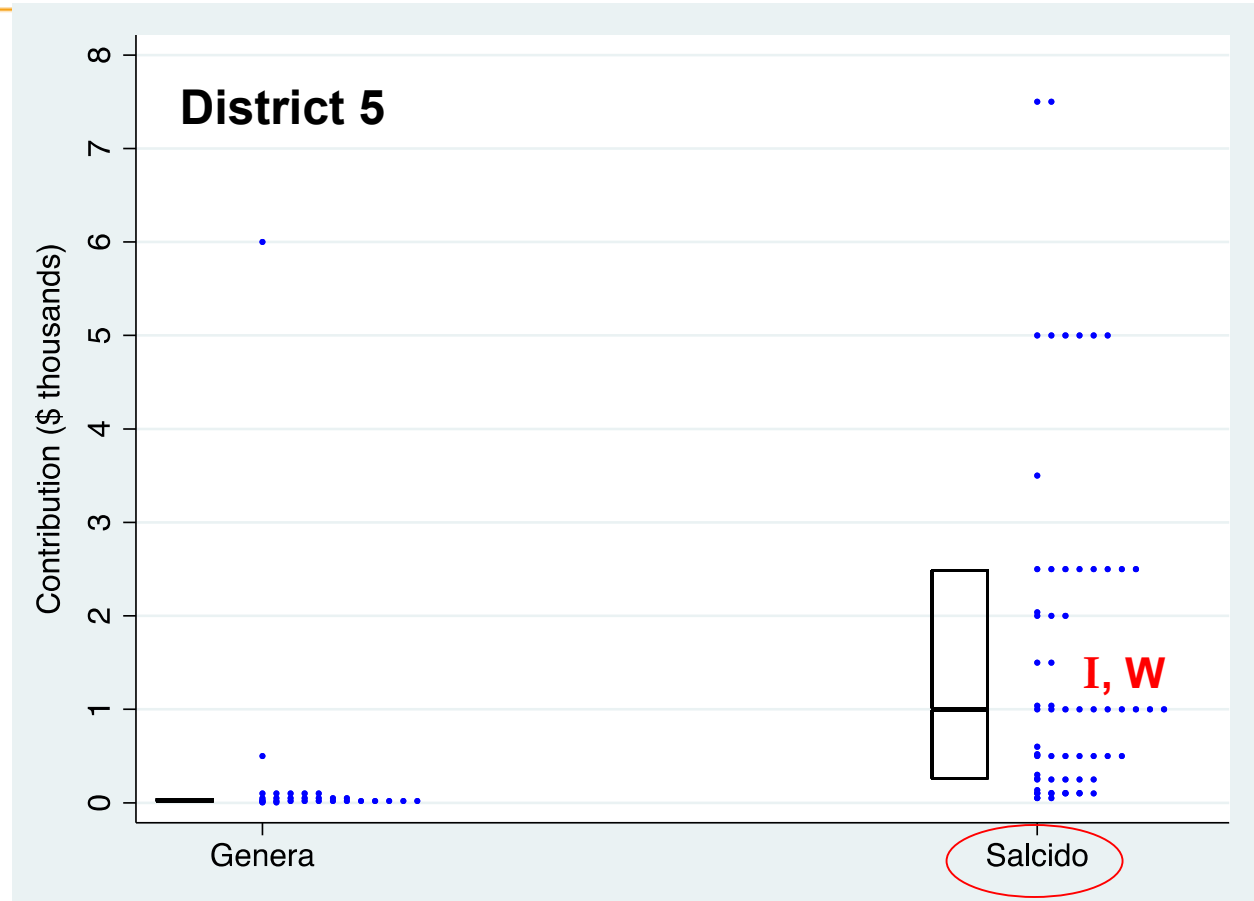
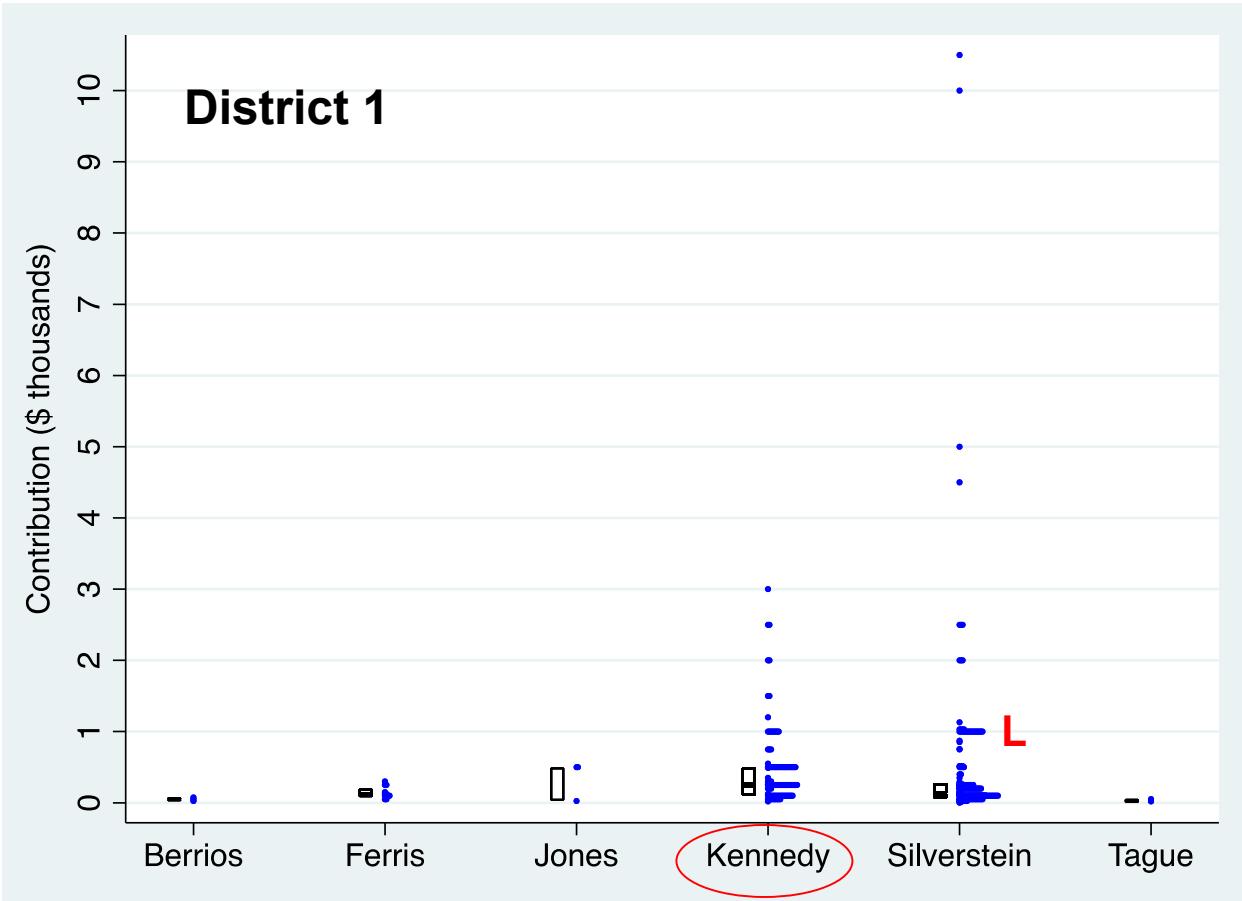
	9	43	63	70	38	N	98	55
			3	18	5	>= \$1K	1	17
			3	12	3	> \$1K	1	7
	23.5%	10.5%	28.3%	32.2%	5.4%	% vote	43.1%	56.9%

2020 Individual Contributions



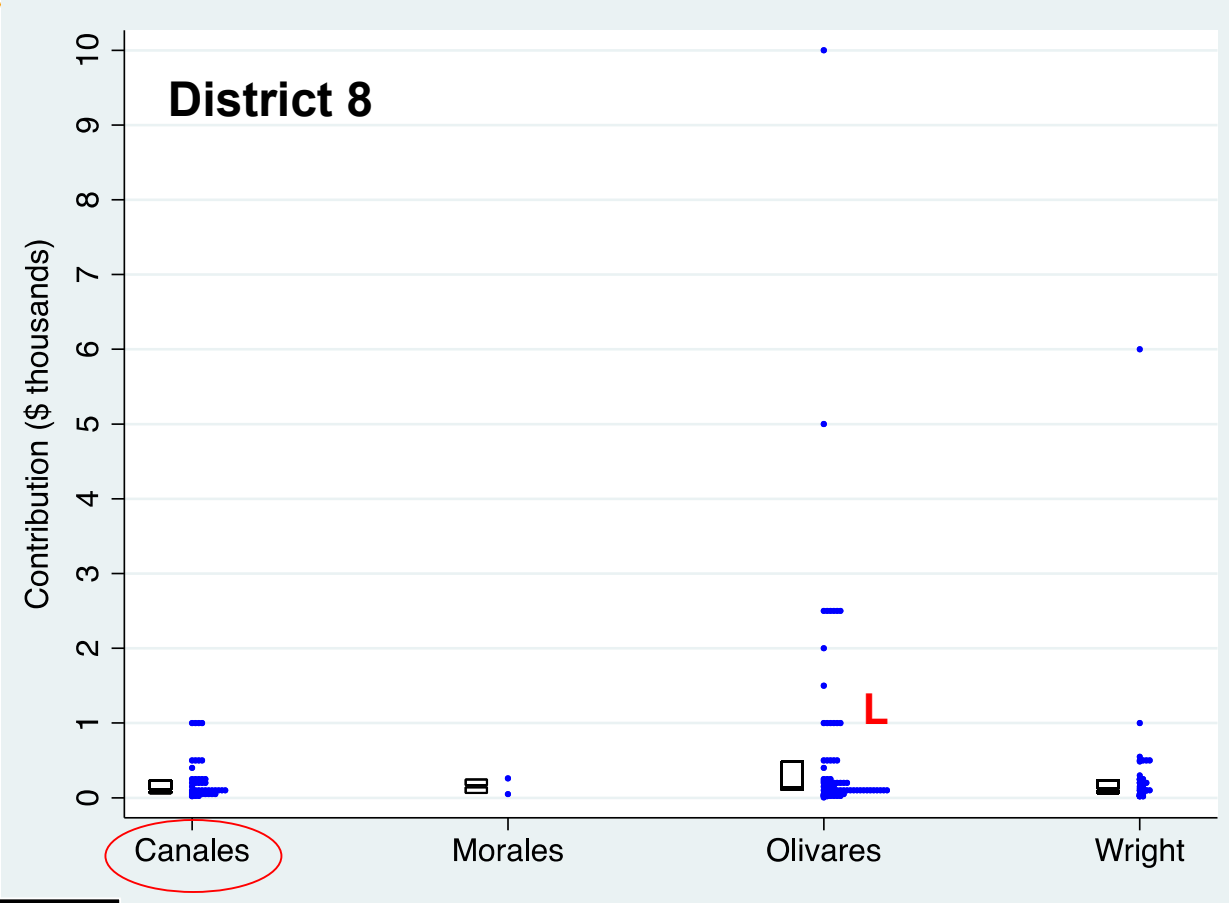
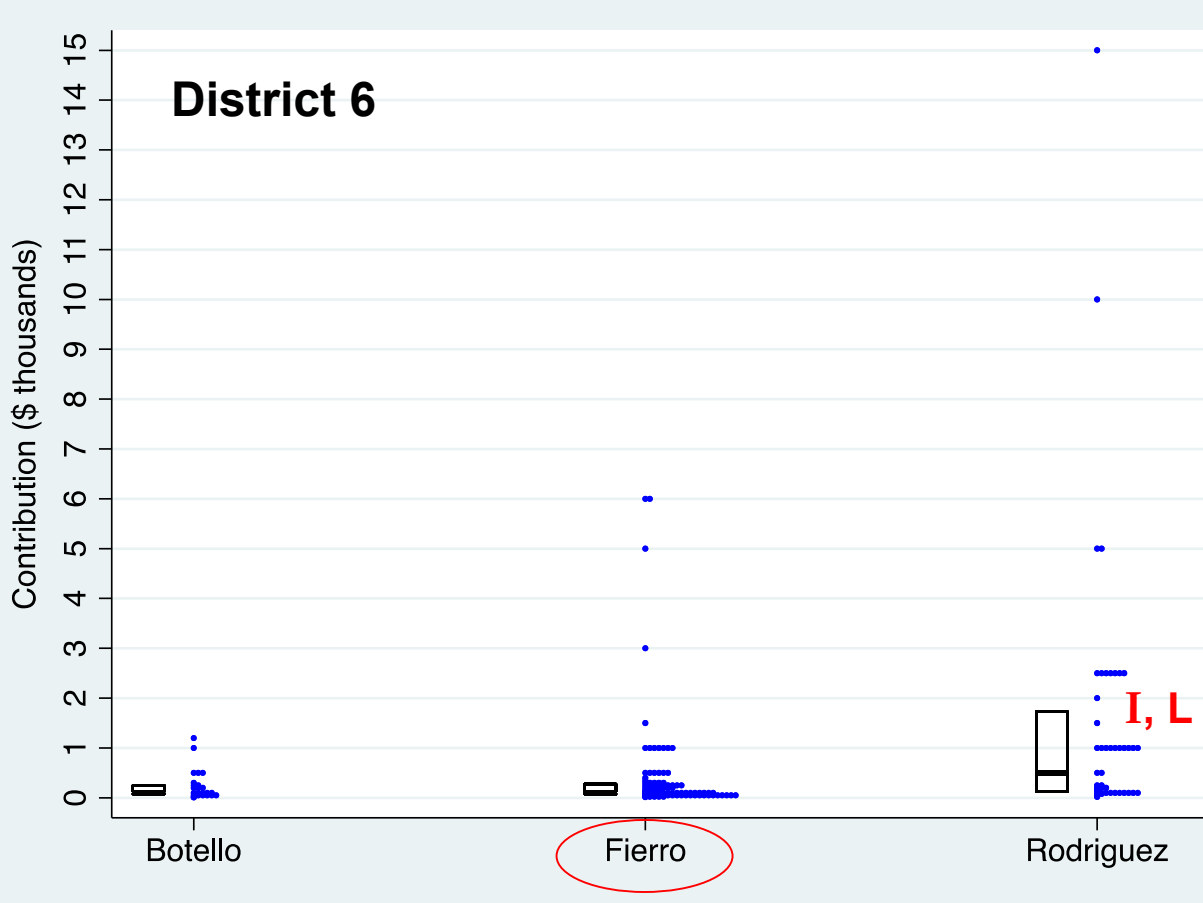
N	653	530	404	379	4
>= \$1K	12	23	97	126	
> \$1K	11	16	41	82	
% vote	21.8%	7.5%	42.6%	24.7%	1.6%

2022 Individual Contributions



	3	12	3	96	187	N	30	65
				16	31	>= \$1K	1	35
				8	15	> \$1K	1	25
	4.7%	12.3%	6.4%	41.3%	25.4%	% vote	19%	64%

2022 Individual Contributions



24	95	48	N	44	2	76	40
2	12	23	>= \$1K	4		16	2
1	5	13	> \$1K			10	1
18.4%	30.4%	42.9%	% vote	34%	0.5%	39.4%	25.5%

**WITHIN DISTRICT SHARES
OF CONTRIBUTIONS
\$1,000 AND GREATER**

2020 Individual Contributions

		By Persons			By Non-Persons		
		>= \$1k	> \$1k	> \$2k	>= \$1k	> \$1k	> \$2.5k
D2	Annello	38%	36%	25%	80%	75%	67%
	Gutierrez	62%	64%	75%	20%	25%	33%
	N =	21	11	4	10	4	3
D3	Hernandez	60%	60%	67%	80%	75%	0%
	Veliz	40%	40%	33%	20%	25%	100%
	N =	20	10	6	5	4	1
D4	Molinar	12%	17%	25%	63%	83%	100%
	Morgan	69%	67%	63%	38%	17%	0%
	Nixon	19%	17%	13%	0%	0%	0%
	N =	26	18	8	8	6	3
D7	Montes	6%	13%	0%	20%	0%	0%
	Rivera	94%	88%	100%	80%	100%	100%
	N =	18	8	5	5	2	1
Mayor	Carbajal	5%	7%	4%	10%	6%	11%
	Gallinar	9%	11%	7%	14%	17%	22%
	Leeser	38%	27%	31%	24%	22%	22%
	Margo	49%	55%	58%	52%	56%	44%
	N =	258	150	99	21	18	9

Notes: General elections; columns show within district percents of respective totals (N).

2022 Individual Contributions

		By Persons			By Non-Persons		
		>= \$1k	> \$1k	> \$2k	>= \$1k	> \$1k	> \$2.5k
D1	Kennedy	34%	35%	30%	100%	100%	-
	Silverstein	66%	65%	70%	0%	0%	-
	N =	47	23	10	2	2	0
D5	Genera	3%	4%	5%	0%	0%	-
	Salcido	97%	96%	95%	100%	100%	-
	N =	36	26	19	3	2	0
D6	Botello	5%	5%	0%	0%	0%	0%
	Fierro	32%	26%	27%	75%	75%	50%
	Rodriguez	62%	68%	73%	25%	25%	50%
N =	37	19	15	4	4	2	
D8	Canales	18%	0%	0%	0%	0%	-
	Olivares	73%	91%	89%	100%	100%	-
	Wright	9%	9%	11%	0%	0%	-
N =	22	11	9	1	1	0	

Amending the Ethics Ordinance

1. Include jurisdiction over Candidates, Political Committees, Individuals/Entities.
2. Give the Ethics Commission the ability to issue a financial fine to be paid w/in x time
3. Require council member or individuals/entity to include notice on agenda of contributions and donations totaling \$? or more when a City Council action would benefit the contributor.
4. Provide total/cumulative contributions/donations received by end of year (EOY)
5. Define Individuals/Entities, contributions/donations, and benefit

Regulatory Scheme

Regulation	Enforcement Body
<p>Require cc member or individual/entities include notice on agenda of contributions and donations of \$? (including donations to the city/district office) when a City Council (CC) action would benefit the contributor.</p>	<p>Ethics Commission</p>

Regulatory Scheme

Duties

Individual/entity: required to disclose no later than 1 week prior to cc action all contributions and donations \$? to a cc member/cc member's district AND

required to include w/ application/bid a complete list of contributions and donations \$? to cc members and the city.

City Clerk: Include on posted agenda notice of contribution by awardee per notice from individual/entity.

Regulatory Scheme

Duties

Office Holder: required to request the City Clerk to include a notice on agenda or state verbally on the record at the meeting **if** individual/entity fails to disclose and cc member knows cc will act on an item that would benefit the contributor.

At EOY provide cumulative amount individual/entity contributed/donated and received a benefit.

Regulatory Scheme

Sanctions	Appeals
<p>The Commission is able to:</p> <ul style="list-style-type: none">• Issue a letter of notification, admonition, or reprimand• Recommend removal from office• Ability to issue a fine up to \$500 to be paid w/in x days.	<p>Can ask Commission to reconsider if there is new evidence that wasn't presented w/in 14 days of the written notice of sanctions.</p>

Next Steps

Motion to direct staff to return in eight weeks with proposed amendments to the ethics code reflecting these recommendations.

To include a reporting trigger value for aggregate amount of contributions/donations received by a council member.

Questions?



Mission

Deliver exceptional services to support a high quality of life and place for our community



Vision

Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government



Values

Integrity, Respect, Excellence, Accountability, People



Misión

Brindar servicios excepcionales para respaldar una vida y un lugar de alta calidad para nuestra comunidad



Visión

Desarrollar una economía regional vibrante, vecindarios seguros y hermosos y oportunidades recreativas, culturales y educativas excepcionales impulsadas por un gobierno de alto desempeño



Valores

Integridad, Respeto, Excelencia, Responsabilidad, Personas