

# ORDINANCE NO. 2007-012

Adopted by the Sacramento City Council

February 20, 2007

**AMENDING SECTIONS 1.20.020, 1.20.050, 2.13.070, 2.13.040, AND 2.14.140 OF TITLES 1 AND 2 OF THE SACRAMENTO CITY CODE AND ADDING SECTION 2.14.105 TO TITLE 2 OF THE CITY CODE, RELATING TO THE TRANSFER OF CONTRIBUTIONS UNDER THE CAMPAIGN CONTRIBUTION LIMITS CODE (CHAPTER 2.13), TO THE USE OF MATCHING PUBLIC FUNDS UNDER THE CAMPAIGN SPENDING LIMITS CODE (CHAPTER 2.14) AND TO THE CONDUCT OF CANDIDATES ACCEPTING MATCHING PUBLIC FUNDS**

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

## **Section 1**

Section 2.13.070 of Title 2 of the Sacramento City Code is amended to read as follows:

### **2.13.070 Transfer of funds or contributions by committees to controlled committees of candidates for city elective office**

- A. Except as provided in subsection B below, any transfer of funds or contributions by a committee to a controlled committee of a candidate for city elective office including an elected councilmember or mayor, shall comply with the contribution limits set forth in Section 2.13.050; and any contribution or transfer of funds by a committee to another committee which makes contributions to a candidate for city elective office, including an elected councilmember or mayor, or which makes expenditures for or against a candidate for city elective office, including an elected councilmember or mayor, shall comply with the contribution limits set forth in Section 2.13.050.
- B. Intra-candidate transfer of funds: Except as otherwise prohibited by state law, a candidate for City elective office, including an incumbent running for the same or different City elective office, may transfer funds from any other committee controlled by the candidate to the candidate's committee for election to City elective office, provided both of the following requirements are met:
- (1) The contributions transferred to the candidate's committee for election to a City elective office are attributed to specific contributors to the campaign contribution account from which they were transferred. Contributions shall be allocated and attributed to individual contributors on a "First in, first out" or "Last in, first out" basis. For purposes of this section, the terms "First in, first out" and "Last in, first out" shall have the following meanings:

“First in, first out” means the campaign funds being transferred are attributed to the transferring committee’s contributors in chronological order beginning with the earliest of its contributors or, if there has been a prior transfer, beginning with the earliest contributor for which unattributed contributions remain.

“Last in, first out” means that campaign funds being transferred are attributed to the transferring committee’s contributors in reverse chronological order beginning with the most recent of its contributors or, if there has been a prior transfer, beginning with the most recent contributor for which unattributed contributions remain.

- (2) The contributions transferred to the candidate’s committee for election to a City elective office, when aggregated with all other contributions from, and transfers attributable to, the same contributor do not exceed the amount that the contributor could have contributed to the candidate, or the controlled committee of the candidate, pursuant to Section 2.13.050.

## **Section 2**

Section 2.13.040 of Title 2 of the Sacramento City Code is amended by adding a definition of “qualified campaign expenditures” to read as follows:

“Qualified campaign expenditures” means an expenditure for which matching public funds may be used pursuant to section 2.14.200.

## **Section 3**

Section 2.14.140 of Title 2 of the City Code is amended to read as follows:

### **2.14.140 Formula for Payment of City Funds.**

A candidate who is eligible to receive payments from the Campaign Reform Fund shall receive payments on the basis of the following formula:

- A. Subject to the limit set forth in Subsection B, one dollar of public matching funds for each dollar received and deposited of the first two hundred fifty dollars (\$250.00) or less contributed by a contributor and provided further that the contribution is received within that period of time beginning on the 1<sup>st</sup> of January preceding the date of the primary election and running through to the end of that primary election period, or that period of time beginning on the first day of the general election period and running through to the end of that general election period, or that period of time beginning eighty-eight (88) days prior to the date of a special election and running through to the end of that special election period.

- B. **Maximum Match:** The total amount of public funds paid to a candidate shall not exceed: (1) thirty thousand eight hundred dollars (\$30,800.00) per election period per candidate for the office of city council member; and (2) one hundred and two thousand eight hundred dollars (\$102,800.00) per election period per candidate for the office of mayor. It is the intent of this section to provide a city match of two hundred fifty dollars (\$250.00) even though the total contribution or contributions from a single source exceeds two hundred fifty dollars (\$250.00). It is the further intent of this section that matching funds shall not be paid during the primary election period for contributions made earlier than the 1<sup>st</sup> of January preceding the date of the primary election; that matching funds shall not be paid during the general election period for contributions made prior to the first day of the general election period; and that matching funds shall not be paid during a special election period for contributions made earlier than eighty-eight (88) days prior to the date of the special election.

#### **Section 4**

Section 2.14.200 of Title 2 of the Sacramento City Code is amended to read as follows:

##### **2.14.200 Qualified campaign expenditures**

- A. Matching public funds provided under this chapter may be used only for expenditures for direct voter outreach purposes, defined to mean campaign literature, publicity, postage and signage; provided that matching public funds may not be spent for the following:
1. Payments made to the candidate or a family relative, or a business in which the candidate or family relative has an ownership interest. For purposes of this provision, the definition of "family relative" set forth in Section 2.16.140 of Title 2 of the City Code shall apply.
  2. Payments in excess of the fair market value of services, materials, facilities or other things of value received in exchange;
  3. Payments in cash;
  4. Payments made for travel outside of California and expenses related to such travel.
- B. Candidates who accept matching public funds under this chapter shall obtain and maintain verifiable written receipts, invoices or other written documentation of the purpose and nature of expenditures. Expenditures for which there is no such documentation shall be excluded from consideration in determining whether public funds were spent on permissible purposes.

**Section 5**

Section 2.14.105 is added to Title 2 of the City Code to read as follows:

**Section 1.20.50 Compliance with Code of Fair Campaign Practices**

Any candidate who files a statement of acceptance pursuant to Section 2.14.100 shall be required to comply with the Code of Fair Campaign Practices set forth in Chapter 1.20 and no matching public funds shall be furnished pursuant to this chapter unless the candidate has filed a statement pursuant to that chapter that the candidate will abide by the Code.

Compliance with the Code of Fair Campaign Practices shall not be subject to the provisions of Article VII of this Chapter.

**Section 6**

Section 1.20.050 of Title 1 of the Sacramento City Code is amended to read as follows:

Except to the extent that Section 2.14.105 requires candidates who file a statement of acceptance of matching public funds under Chapter 2.14 to also agree to abide by the Code of Fair Campaign Practices as a condition for receiving matching public funds under that chapter, no candidate for City elective office shall be required to subscribe to or endorse the code.

Adopted by the City of Sacramento City Council on February 20, 2007 by the following vote:

Ayes: Councilmembers, Cohn, Hammond, McCarty, Pannell, Tretheway,

Noes: Councilmember Fong, Sheedy, Waters and Mayor Fargo.

Abstain: None.

Absent: None.

  
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Mayor, Heather Fargo

Attest   
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Shirley Concolino, City Clerk

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