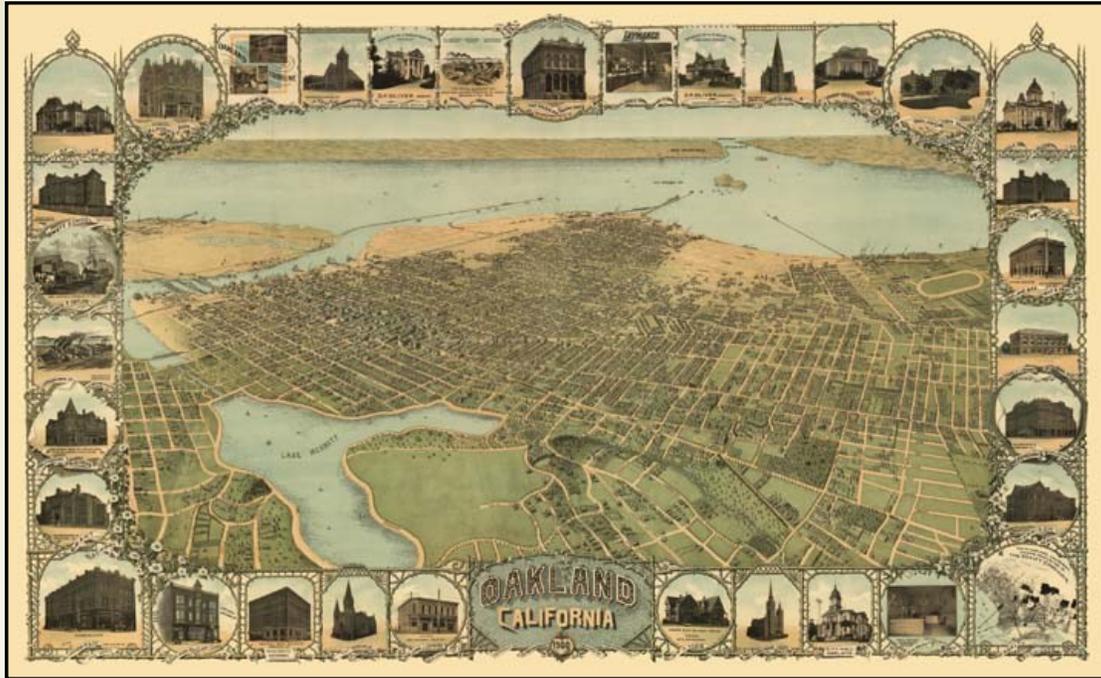


City of Oakland Public Ethics Commission



Limited Public Financing Guide For City Council District Candidates

NOVEMBER 2016 ELECTION



Public Ethics Commission
1 Frank Ogawa Plaza (City Hall), Room 104
Oakland, CA 94612
www.oaklandnet.com/pec
ethicscommission@oaklandnet.com
(510) 238-3593



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PROGRAM SUMMARY

The **Limited Public Financing Program** of the City of Oakland provides a limited amount of funding by way of reimbursement to a District City Council candidate's campaign for certain campaign expenditures. The maximum amount possible is 30 percent of Oakland's voluntary expenditure ceiling for the office you seek. The amount of money likely available depends on the total funds allocated to the program in the City Budget and also the number of candidates running in City Council district races. This year, the City Council budgeted approximately \$155,000 for the program, which will be divided by the number of candidates for all of the open district City Council seats.

In order to participate in the program, a candidate must meet the following initial conditions:

1. A candidate must be certified by the City Clerk as a District City Council candidate in the 2016 election.
2. A candidate must make an irrevocable decision whether to participate in the public financing program **within 14 days** of being certified to appear on the ballot.
3. A candidate must raise campaign contributions and incur campaign expenditures of at least 5 percent of the voluntary expenditure ceiling for the office being sought.
4. A candidate must agree to abide by Oakland's voluntary expenditure ceilings and not lend or contribute personal funds to their respective campaigns more than ten (10) percent of the voluntary expenditure ceiling.

There are additional rules and restrictions that apply to candidates receiving limited public financing, as well as limits on the types of expenditures that can be reimbursed. This guide provides an overview of the Limited Public Financing program, which is administered by the Public Ethics Commission.

ELIGIBILITY FOR PUBLIC FINANCING

Candidate Eligibility

All candidates for the office of District City Councilmember who are certified to appear on the ballot may apply for public financing. Candidates for the Oakland Unified School District Board of Directors are not eligible.

Applying for Public Financing

The first step in applying for public financing is to complete and file with the Public Ethics Commission LPF Form No. 1, entitled: "Statement of Acceptance or Rejection of Public Financing." *See enclosed **Form No. 1**.*

The candidate must complete, execute and timely file LPF Form No. 1 no later than fourteen (14) days after the City Clerk has certified the names of all candidates to appear on the ballot. Commission staff will send candidates a notice advising them of the specific deadline for filing LPF Form No. 1. ***The failure to timely file LPF Form No. 1 shall constitute an irrevocable rejection of public financing for the General Election on November 8, 2016***

After the candidate has timely filed his or her "Statement of Acceptance or Rejection of Public Financing" the candidate may, prior to the date of the election, submit a claim for reimbursement. In order to do so, the candidate must meet the following conditions of eligibility:

1. The City Clerk must have certified the candidate's name to appear on the ballot;
2. The candidate must have filed OCRA Form No. 301 with the City Clerk, in which the candidate agrees to accept voluntary expenditure limitations;

3. The candidate demonstrates that he or she has received campaign contributions totaling at least five (5) percent of the voluntary expenditure ceiling for the office being sought, exclusive of any personal loans or contributions, and which contributions originate from within the City of Oakland;
4. The candidate demonstrates that he or she has made campaign expenditures totaling at least five (5) percent of the voluntary expenditure ceiling for the office being sought;
5. The candidate is opposed by another candidate for the same office;
6. The candidate declares that he or she has not made any contributions or loans from personal funds in an amount exceeding ten (10) percent of the voluntary expenditure ceiling for the office being sought;
7. The candidate declares that he or she will timely file, and completely and accurately execute, all pre-election and post-election campaign statements;
8. The candidate or his or her campaign treasurer or designee has attended a training program conducted or sponsored by the Public Ethics Commission; and
9. The candidate agrees to submit to any reasonable audits or reviews deemed appropriate by the Public Ethics Commission or other civil authority.

Voluntary Expenditure Ceiling

The City Clerk annually adjusts the voluntary expenditure ceilings every January to reflect any increase in the Consumer Price Index. The voluntary expenditure ceilings and campaign contribution limits for 2016 are enclosed.

FUNDS AVAILABLE FOR CANDIDATES

Maximum Limits of Funds per Candidate

Eligible candidates may receive up to 30 percent (30%) of the voluntary expenditure ceiling for the office being sought. However, this maximum amount **may be less** depending on the number of candidates who qualify to receive public financing. If the money available in the Election Campaign Fund is not sufficient to permit each eligible candidate to receive the maximum individual amount, the Public Ethics Commission is authorized to allocate the available funds on a "pro rata" or other equitable basis and to revise the amounts as necessary throughout the campaign. The Public Ethics Commission will timely notify candidates if there is any change in the maximum amount a candidate may receive.

When Can A Campaign Get The Money?

Candidates may apply for reimbursement in minimum increments of \$1,000 or more. Within ten (10) calendar days of the election, candidates may apply for reimbursement in minimum increments of \$500. Commission staff will not process claims for reimbursement for less than the required minimum amounts.

Limited public financing checks will only be made payable to a candidate's campaign committee. Candidates must deliver to the Public Ethics Commission a copy of the deposit receipt within three (3) business days of deposit into the candidate's campaign account.

REQUESTING REIMBURSEMENT

Submitting Claims for Reimbursement

A candidate applies for reimbursement by completing and submitting to the Public Ethics Commission LPF Form No. 2 (“Initial Application for Public Financing”) and LPF Form No. 3 (“Reimbursement Claim Form”). **See Enclosed LPF Form No. 2 and LPF Form No. 3.**

LPF Form No. 2 requires the candidate to submit copies of campaign contributions (i.e., contribution checks; not cash) demonstrating that the candidate has received contributions from Oakland donors totaling at least five (5) percent of the voluntary expenditure ceiling for the office being sought. (The written instrument used to make the contribution must demonstrate an Oakland address.)

The candidate must also submit proof in the form of detailed invoices or proof of payments/receipts that he or she has made campaign expenditures totaling at least five (5) percent of the voluntary expenditure ceiling for the office being sought.

LPF Form No. 3 accompanies specific request(s) for reimbursement. To initiate a claim for reimbursement, candidates must include with LPF Form No. 3: (1) a copy of the billing invoice(s) for which reimbursement is sought; (2) a copy of the check(s) by which the candidate's campaign committee made payment on the billing invoice(s); and (3) a copy, when applicable, of the campaign literature, advertisement, radio or television script, or website configuration.

Once the candidate has submitted these forms to the Public Ethics Commission, Commission staff will review them to determine if they have been correctly completed and signed, and to confirm whether the conditions of eligibility have occurred.

Re-Distribution Phase

In order to distribute the full amount allocated in the general election fund by funding participating candidates as close to the maximum amount (30% of the voluntary expenditure ceiling) as possible, the Commission provides a two-phase approach for the disbursement of LPF funds to participants. The initial phase begins once eligible candidates opt in to the LPF program and the PEC determines the amount available to participants on “pro rata” basis. The second “re-distribution phase” sets an early deadline for participants to submit an initial reimbursement request. Thus, LPF Form No. 2 and an initial LPF Form No. 3 must be submitted on or before the Phase II deadline of **September 19**. Failure to timely file LPF Form No. 2 and initial Form No. 3 by that deadline will deem participant ineligible to receive public funds for the 2016 election.

Candidates who meet the September 19 deadline may proceed to Phase II. After the Phase II deadline, the PEC re-calculates and then re-allocates funds on a “pro rata” basis according to the number of participants that met the Phase II requirement. The redistribution can potentially increase the allotted amount to each participant based on the number of candidates that proceed to Phase II.

For example, if there is \$200,000 in the election fund and 10 candidates opt-in to the LPF program, each eligible candidate could receive \$20,000 in reimbursements. If only 7 candidates timely file Forms 2 and 3 by the Phase II deadline, then upon re-distribution of funds that were unused, Phase II candidates would instead receive approximately \$28,571 (an increase of \$8,571).

Expenditures Qualifying for Reimbursement

Reimbursement will only be provided for the following campaign expenditures:

- Candidate filing and ballot fees
- Printed campaign literature and production costs
- Postage
- Print advertisements
- Radio airtime and production costs
- Television or cable airtime and production costs
- Website design and maintenance costs

Process to Appeal a Commission Staff Decision

Any decision made by the Commission's Executive Director to deny or limit a request for reimbursement may be appealed to the Commission whose decision shall be final. A request to agendize an appeal of the Executive Director's decision shall be made in writing and delivered to the Office of the Public Ethics Commission no more than ten (10) calendar days after receiving written notice of the Executive Director's decision.

Candidate Withdrawal or Disqualification from the Election

Any candidate who is determined to be eligible to receive public financing but who is later disqualified from appearing on the ballot or who withdraws from the election will be suspended from receiving public financing during the remaining election period.

Deadline to Submit a Claim for Reimbursement

Candidates may receive public financing for properly documented claims that are submitted *prior to* the day of the election. No claim submitted on or after the date of the election will be considered.

Restrictions on the Use of Public Funds

Public financing is only available to reimburse the specified campaign expenditures described on page 5. Money received from the Election Campaign Fund may not be previously earmarked or specifically encumbered to pay or to secure payment of any loan, return of contribution or of any expenditure other than the one for which reimbursement was sought.

POST-ELECTION PROCEDURES

Surplus Campaign Funds

The Act requires that a portion of any surplus campaign funds remaining as of December 31, 2016, be returned to the Election Campaign Fund no later than January 31, 2017. The amount to be returned shall be calculated by multiplying the amount of surplus campaign funds by the percentage that total public financing received represents of total monetary contributions received for the election period.

- For example, if a candidate receives \$40,000 in contributions, \$10,000 in public financing, and claims a surplus of \$5,000, the candidate would owe the Election Campaign Fund \$1,250.

A candidate shall not be required to return any surplus funds in an amount greater than the amount of public financing received.

Penalties for Violations of the Limited Public Financing Act

The Public Ethics Commission is authorized to administratively enforce the provisions of the Limited Public Financing Act, which may include the imposition of fines, penalties and the return of public financing received.

City Audit of Campaign Financial Statements

The Limited Public Financing Act requires that the Office of the City Auditor complete audits of all candidates receiving public financing to ensure compliance with the rules of the program.

CANDIDATE CHECKLIST FOR LPF ELIGIBILITY

Expenditure Ceiling Amount: \$ _____

5% Threshold: \$ _____

10% Limit on Personal Funds: \$ _____

Step	Program Requirement	Completed
1	OCRA Form 301 – Candidate must sign and submit the Form 301 accepting voluntary expenditure ceilings to the City Clerk	
2	Candidate Certification – by City Clerk to appear on the ballot	
3	LPF Form 1 – Statement of Acceptance or Rejection submitted to PEC (within 14 days of certification by Clerk)	
4	LPF Form 2 – Initial Application for Public Financing submitted to PEC	
5	Minimum Campaign Contributions Received – Candidate has received contributions from Oakland donors totaling at least 5% of the voluntary expenditure ceiling for the office	
6	Minimum Campaign Expenditures Made – Candidate has made campaign expenditures totaling at least 5% of the voluntary expenditure ceiling for the office being sought	
7	Candidate’s Personal Funds Are Within Limits – Candidate has not made contributions or loans from personal funds in an amount exceeding 10% of the voluntary expenditure ceiling	
8	Candidate Has Opposition – Candidate is opposed by another candidate for same office	
9	Candidate Received Training – Candidate or their campaign treasurer or designee has attended a PEC LPF training program	
10	Campaign Fundraising Materials Comply with OCRA – Candidate included the proper notice regarding contribution limits and contribution prohibitions on contractors doing business with the City on all campaign fundraising material (See Oakland Campaign Reform Act Section 3.12.140)	
11	Return Surplus Funds – Following the election, the candidate must return to the City a portion of excess funds remaining in the campaign account as of December 31	

OCRA FORM 301



OCRA Form 301



Candidate Acceptance of Campaign Expenditure Ceilings Oakland Campaign Reform Act

DUE DATE: OCRA Form 301 is due before receiving any contributions at the higher amount allowed for candidates who accept the voluntary expenditure ceiling under sections 3.12.050(b) and 3.12.060(b) of the Oakland Campaign Reform Act.

FOR OFFICE USE ONLY
Date Received

ACCEPTANCE:

I, _____, hereby declare that I am a candidate for the Office of _____, in the City of Oakland's General Municipal Election, to be held on _____, and I declare that I have established a campaign committee in order to solicit contributions towards my candidacy.

I, _____, hereby accept expenditure ceilings as defined in Sections 3.12.050(c), 3.12.060(c), 3.12.190, 3.12.200, 3.12.210 and 3.12.220 of the City of Oakland's Campaign Reform Act. I agree that once accepted, the expenditure ceiling is irrevocable except as waived, pursuant to the City of Oakland Campaign Reform Act at Section 3.12.220.

I hereby certify that the above statement is true and correct.

Signature: _____

Date: _____

Sign and submit this form to:
Oakland City Clerk
1 Frank Ogawa Plaza, 2nd Floor
Oakland, CA 94612
(510) 238-6699

Local candidates are required to follow state and local campaign finance, advertising, and ethics rules. For more information about Oakland's laws, as well as public financing for City Council district candidates, contact the Public Ethics Commission at (510) 238-3593, www.oaklandnet.com/pec, or visit our office on the 1st floor of City Hall, Room 104.

FORM 1

“Statement of Acceptance or Rejection of Public Financing”

I, _____ (print name), declare that I am a candidate for the Office of City Council District _____ (state district number) in the November 8, 2016, municipal election.

I hereby agree to _____ (state preference) public financing pursuant to the laws
Accept/Reject
rules of the Limited Public Financing Act (O.M.C. Chapter 3.13) during the November 8, 2016, election.

I understand that if I choose to **reject** public financing for the November 8, 2016, election that my decision is irrevocable and I will not be eligible to apply for or receive public financing at a later time for the November 8, 2016, election.

I further understand that if I fail to file this “Statement of Acceptance or Rejection of Public Financing” by the deadline specified in O.M.C. §3.13.070(B) that my failure to do so will constitute an irrevocable rejection of public financing for the November 8, 2016, election.

I hereby certify that the above statement is true and correct.

Executed on this _____ day of _____, 2016.

Signature: _____ (candidate must sign here)

This form must be filed in person with the Office of the Public Ethics Commission at:

Oakland Public Ethics Commission
One Frank H. Ogawa Plaza (City Hall), Room 104
Oakland, CA 94612
(510) 238-3593
(510) 238-3315 (fax)
www.oaklandnet.com/pec
ethicscommission@oaklandnet.com

This form is due no later than 14 days after the City Clerk has certified the names of all candidates to appear on the ballot.

FORM 2

“Initial Application for Public Financing”

Please type or print clearly in ink.

Candidate Name:	
District Office Being Sought:	Date of Election: Tuesday, November 8, 2016
Campaign Mailing Address:	
Phone: (Number at which candidate can be reached during business hours)	Fax: Candidate’s Campaign Email:
Name of Controlled Committee	Campaign ID Number:
	Campaign EIN No.
Name of Campaign Treasurer:	Treasurer Phone:
	Treasurer Email:
Name and Address of Financial Institution	Campaign Bank Account Number

Each candidate must complete and file this form to receive public financing. In order to be eligible for public financing, candidates must have: 1) executed and filed OCRA Form No. 301 (available from the Office of the City Clerk) and agree to accept the voluntary expenditure ceilings prescribed in Oakland Municipal Code section 3.12.200; and 2) executed and timely filed a "Statement Of Acceptance Or

Rejection Of Public Financing" (Form 1) and agree to accept public financing for the November 8, 2016, election.

I hereby apply for public financing and certify that the following information is true and correct:

1. I have executed and timely filed OCRA Form No. 301 accepting voluntary expenditure ceilings.
2. I have executed and timely filed a "Statement of Acceptance or Rejection of Public Financing" (LPF Form 1) and have agreed to accept public financing for the November 8, 2016, election.
3. I am certified to appear on the ballot for the election for which public matching funds are sought.
4. I have received campaign contributions from donors located within the City of Oakland totaling at least 5% of the voluntary expenditure ceiling for the office being sought, exclusive of any loans or contributions from my personal funds. **Copies of the checks received to meet this 5% threshold are attached.**
5. I have made qualified campaign expenditures in an aggregate amount of at least 5% of the voluntary expenditure ceiling for the office being sought. **Copies of the invoices and/or checks evidencing proof of meeting this 5% expenditure threshold are attached.**
6. I have not made any contribution or loan to my campaign from any personal funds in an amount exceeding 10% of the voluntary expenditure ceiling for the office being sought.
7. I or my campaign treasurer or designee has attended a training program conducted or sponsored by the Public Ethics Commission.

I understand and agree that in order to be able to receive public financing I must be opposed by a candidate for the same office.

I understand and agree that as a condition of receiving public financing I must timely file, and completely and accurately execute, all pre-election campaign statements that are due at the time public financing is payable as well as timely file, and completely and accurately execute, all post-election campaign statements for the election in which I receive public financing.

I understand and agree that I must return to the Election Campaign Fund no later than 31 days after the last day of the semi-annual reporting period following the election any surplus campaign funds in an amount specified by the Limited Public Financing Act.

I understand and agree to all conditions of and requirements for the use of public financing set forth in this Application, the Act and any regulations adopted thereunder. I understand and agree to submit to reasonable audits deemed necessary by the Oakland Public Ethics Commission or other civil authorities as specified by the Limited Public Financing Act.

By my signature below, I certify that:

1. I have read and understand the requirements and conditions set forth in this Application, in the Oakland Limited Public Financing Act, the applicable Administrative Regulations promulgated thereto, and understand that those requirements and conditions must be satisfied before, during and after I receive public financing.
2. I have not made and I agree to not make any expenditures in excess of the voluntary expenditure limits of Oakland Municipal Code Section 3.12.200. (This requirement shall not apply if the voluntary expenditure ceilings have been lifted pursuant to Oakland Municipal Code Section 3.12.220.)
3. The attached copies of documents are true and accurate copies of the original. I understand that they will be used by representatives of the Public Ethics Commission to determine my eligibility to apply for and receive public financing.

CANDIDATE’S DECLARATION

I declare under penalty of perjury under the laws of the State of California that my campaign committee and I have complied with all applicable contribution and expenditure limitations under the Oakland Campaign Reform Act at all times in which those limitations apply to my candidacy for the office in contest and I further declare that the representations set forth above are true and correct.

Date: _____

Candidate’s Signature

Print or Type Candidate’s Name

This form must be filed in person with the Office of the Public Ethics Commission at:

<p>Oakland Public Ethics Commission One Frank H. Ogawa Plaza (City Hall), Room 104 Oakland, CA 94612 (510) 238-3593 (510) 238-3315 (fax) www.oaklandnet.com/pec ethicscommission@oaklandnet.com</p>
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FORM 3

"Reimbursement Claim Form"

Please type or print clearly in ink.

I. CANDIDATE INFORMATION

Name:	District Office Sought:	Date of Election:
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II. ATTACHMENTS

Each candidate must submit with this claim form the following:

- Copies of billing invoices for which reimbursement is sought
- Copies of the check(s) used to pay the invoices for which reimbursement is sought
- Copies of any applicable campaign literature, advertisement, radio or television script, or website configuration

Note: Any claim form that is not accompanied by the above documents will not be considered for payment.

The attached copies document a claim for reimbursement for the following permitted categories of expenditures (check all that apply):

<input type="checkbox"/> Candidate filing or ballot fees	<input type="checkbox"/> Printed campaign literature and production costs
<input type="checkbox"/> Postage	<input type="checkbox"/> Print advertisements
<input type="checkbox"/> Radio airtime and production costs	<input type="checkbox"/> Television or cable airtime and production costs
<input type="checkbox"/> Website design and maintenance costs	

III. CANDIDATE AND TREASURER VERIFICATION

I declare under penalty of perjury under the laws of the State of California that to the best of my knowledge: (1) the information contained in this form and in all attachments submitted herewith are true and correct; (2) the check(s) used to make payment on the billing invoice(s) submitted for reimbursement represent payment in full of said invoice(s) and that sufficient funds exist in the candidate's campaign account to provide payment on those invoices; and (3) any public financing received from the Election Campaign Fund has not been previously earmarked or specifically encumbered to pay or to secure payment of any loan, return of contribution, or of any expenditure other than the one for which reimbursement was sought.

Executed on _____ at _____

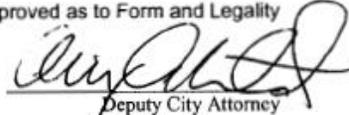
_____ Candidate Name	_____ Candidate Signature
Executed on _____ at _____	
_____ Treasurer Name	_____ Treasurer Signature
FOR PEC USE ONLY	
Name(s) of Persons Authorized to Pick up Reimbursement Checks: _____ _____	
Reimbursement Totals This Period _____ Prior Period _____ Total Reimbursement: _____	Claim Number: _____ Check request date: _____ Check Amount: \$ _____ Authorized by: _____

This form must be filed in person with the Office of the Public Ethics Commission at:

Oakland Public Ethics Commission
 One Frank H. Ogawa Plaza (City Hall), Room 104
 Oakland, CA 94612
 (510) 238-3593
 (510) 238-3315 (fax)
www.oaklandnet.com/pec
ethicscommission@oaklandnet.com

APPENDIX 1: Limited Public Financing Act

FILED
OFFICE OF THE CITY CLERK
OAKLAND
2010 DEC 15 PM 2:22

Approved as to Form and Legality

Deputy City Attorney

OAKLAND CITY COUNCIL

Ordinance No. 13031 C.M.S.

AN ORDINANCE AMENDING CHAPTER 3.13 OF THE OAKLAND MUNICIPAL CODE (AKA "THE LIMITED PUBLIC FINANCING ACT OF THE CITY OF OAKLAND") TO 1) LIMIT ELIGIBILITY TO CANDIDATES FOR DISTRICT CITY COUNCIL; 2) PROVIDE THAT PUBLIC FINANCING BE LIMITED TO THE REIMBURSEMENT OF SPECIFIED CAMPAIGN EXPENDITURES; 3) LIMIT CANDIDATES FROM MAKING CONTRIBUTIONS OR LOANS FROM PERSONAL FUNDS TO TEN PERCENT OF THE VOLUNTARY EXPENDITURE CEILING; 4) REQUIRE CANDIDATES TO RAISE IN LOCAL CONTRIBUTIONS AND MAKE IN EXPENDITURES AMOUNTS EQUAL TO FIVE PERCENT OF THE VOLUNTARY EXPENDITURE CEILING; 5) PERMIT CANDIDATES TO APPEAL TO THE PUBLIC ETHICS COMMISSION ANY REQUEST FOR REIMBURSEMENT; AND 6) REQUIRE CANDIDATES TO REPAY THE ELECTION CAMPAIGN FUND FROM ANY SURPLUS CAMPAIGN FUNDS IN AN AMOUNT NOT TO EXCEED THE PERCENTAGE THAT PUBLIC FINANCING REPRESENTS OF TOTAL CONTRIBUTIONS RECEIVED

WHEREAS, on December 14, 1999, the City Council adopted the Limited Public Financing Act of the City of Oakland (Oakland Municipal Code Chapter 3.13) in order to provide for the limited public financing of certain campaigns for public office within the City of Oakland; and

WHEREAS, the City Council has amended the O.M.C. Chapter 3.13 from time to time; and

WHEREAS, the City Council desires to amend O.M.C. Chapter 3.13 to:

- Limit public financing for District City Council races; and
- Require candidates to decide whether to participate in the public financing program within fourteen days after the City Clerk has certified their name to appear on the ballot; and
- Continue to require candidates to agree to accept voluntary expenditure ceilings as a condition of receiving public financing; and
- Limit candidates from making contributions or loans from their personal funds to no more than 10 percent of the voluntary expenditure limit; and
- Require candidates to raise in local contributions and make in expenditures in aggregate amounts equal to five percent of the voluntary expenditure ceiling for the office being sought; and

- Provide that public financing shall be provided solely by reimbursing candidates for certain lawful campaign expenditures; and
- Require that requests for reimbursement include copies of the billing invoice, the check used to pay the invoice, and the campaign literature, print advertisement, radio or television script, or website configuration for which reimbursement is sought; and
- Permit candidates to appeal to the Commission for any request for reimbursement denied by Commission staff; and
- Require candidates to repay the Election Campaign Fund from any surplus campaign funds in an amount not to exceed the percentage that public financing represents of total contributions received, as hereinafter provided; now therefore,

BE IT ORDAINED, that Oakland Municipal Code Chapter 3.13 is amended to read as follows:

Article I. Findings and Purpose

3.13.010 Title

This Act shall be known as the "Limited Public Financing Act of the City of Oakland."

3.13.020 Findings and Declarations

The findings of this Act are as follows:

A. The financial strength of certain individuals or organizations should not enable them to exercise a disproportionate or controlling influence on the election of candidates.

B. The rapidly increasing costs of political campaigns have forced many candidates to raise larger and larger percentages of money from interest groups with a specific financial stake in matters under consideration by city government. This has caused the public perception that votes are being improperly influenced by monetary contributions.

C. High campaign costs are forcing officeholders to spend more time on fundraising and less time on the public's business. The constant pressure to raise contributions is distracting officeholders from urgent governmental matters.

3.13.030 Purpose of this Act

The purpose of this act is to accomplish the objectives stated in Oakland's Campaign Reform Act as follows:

A. To ensure that all individuals and interest groups in our city have a fair and equal opportunity to participate in elective and governmental processes.

B. To reduce the influence of large contributors with a specific financial stake in matters under consideration by the City of Oakland, and to counter the perception that decisions

are influenced more by the size of contributions than by the best interests of the people of Oakland.

C. To reduce the pressure on candidates to raise large campaign war chests for defensive purposes, beyond the amount necessary to communicate reasonably with voters.

D. To encourage competition for elective office.

E. To allow candidates and office holders to spend a smaller proportion of their time on fundraising and a greater proportion of their time dealing with issues of importance to their constituents and the community.

F. To ensure that serious candidates are able to raise enough money to communicate their views and positions adequately to the public, thereby promoting public discussion of important issues involved in political campaigns.

G. To help preserve public trust in governmental and electoral institutions.

Article II. Definitions

3.13.040 Interpretation of this Act

Unless the term is specifically defined in this Act or the contrary is stated or clearly appears from the text, the definitions set forth in Chapter 3.12 of the Oakland Municipal Code and in Government Code sections 81000 et seq. as amended govern the interpretation of this Act.

For purposes of this Act, "principal residence" shall mean the place in which a person's habitation is fixed, wherein the person has the intention of remaining, and to which, whenever he or she is absent, the person has the intention of returning.

For purposes of this Act, "primary place of doing business" shall mean the street address of a corporation's or association's principal executive office as filed with the California Secretary of State or the street address of an unincorporated association's principal office as filed with the California Secretary of State.

Article III. Election Campaign Fund

3.13.050 Election Campaign Fund

There is hereby established an account within a special revenue fund of the City of Oakland to be known as the "Election Campaign Fund."

3.13.060 Appropriation of Funds

A. The Oakland City Council shall appropriate to the Election Campaign Fund, under the City's current two year budget cycle, an amount sufficient to fund all candidates eligible to receive public financing for the office of District City Councilmember.

B. The Oakland Public Ethics Commission shall provide in the form and at the time directed by the Mayor and City Administrator a written estimate of the amount necessary to be appropriated for any two-year budget cycle according to the provisions of this Act for all eligible candidates. The amount of funds to be allocated to the Election Campaign Fund shall be based on a consideration of anticipated campaign activity, anticipated administrative costs, and existing unspent funds within the account. The amount of funds to be allocated to the Election Campaign Fund shall not exceed \$500,000 for any two-year budget cycle.

C. The Election Campaign Fund shall be established as an interest bearing account. Unspent funds in the Election Campaign Fund at the end of a two year budget cycle shall remain in the Fund and accrue for disbursement to candidates eligible for public financing in future elections and for administrative costs.

D. Up to 7.5% of the amount allocated to the Election Campaign Fund pursuant to subsections 3.13.060 (a) and (b) may be utilized by the Public Ethics Commission to cover the anticipated cost of administering the provisions of this Act.

3.13.065 Allocation of Election Campaign Fund

No later than seven (7) days after the City Clerk has certified the names of all candidates to appear on the ballot, the Public Ethics Commission shall determine at a publicly noticed meeting whether, based on the number of potentially eligible candidates, the amount of money in the Election Campaign Fund is adequate to provide the maximum amount to potentially eligible candidates. If the Commission determines that the Election Campaign Fund will not be adequate to provide the maximum amount of funds to potentially eligible candidates, the Commission shall order the disbursement of available funds on a *pro rata* or other equitable basis. The Commission may at any time revise the disbursement plan consistent with these rules and prevailing law.

Article IV. Eligibility for Public Financing

3.13.070 Application and Withdrawal Procedures

A. Each candidate for District City Council shall file a statement with the City Clerk on a form approved for such purpose indicating acceptance or rejection of the voluntary spending ceilings pursuant to Oakland Municipal Code Section 3.12.190.

B. Each candidate for District City Council shall file with the Public Ethics Commission a Statement of Acceptance or Rejection of Public Financing on a form approved by the Public Ethics Commission no later than fourteen (14) calendar days after the date the City Clerk has certified the names of candidates to appear on the ballot for the election in which public financing will be sought. The Statement of Acceptance or Rejection of Public Financing

shall advise and require that the candidate's decision to reject public financing is irrevocable for the election in which his or her name appears on the ballot. The failure to timely file a Statement of Acceptance or Rejection of Public Financing shall constitute a rejection of public financing.

C. If a candidate declines to accept the voluntary expenditure ceilings prescribed in Oakland Municipal Code Section 3.12.200, the candidate shall be subject to the contribution limits of Sections 3.12.050(a) and 3.12.060 (a) and shall not be eligible for public financing.

D. If a candidate agrees to accept the voluntary expenditure ceilings prescribed in Oakland Municipal Code Section 3.12.200, the candidate shall be subject to the contribution limits of Oakland Municipal Code Sections 3.12.050 (b) and 3.12.060 (b) as adjusted pursuant to Sections 3.12.050(g) and 3.12.060(g), and shall be eligible for public financing upon meeting the qualification requirements as provided in this Act.

E. In the event expenditure ceilings are lifted pursuant to Oakland Municipal Code Section 3.12.200, a candidate who accepted expenditure ceilings shall be permitted to receive public financing but shall no longer be subject to expenditure ceilings.

3.13.080 Qualification Procedures

A candidate shall be approved to receive public financing if the candidate meets all of the following requirements:

A. The candidate has filed a timely statement of acceptance of the voluntary spending ceilings and acceptance of public financing.

B. The candidate is certified to appear on the ballot for the election for which public financing is sought.

C. The candidate has (1) received contributions in an aggregate amount of at least five (5) percent of the expenditure ceiling for the office being sought from contributors whose principal residence or whose primary place of doing business is located within the City of Oakland and which residence or business address appears on the written instrument used to make the contribution, and (2) made qualified campaign expenditures in an aggregate amount of at least five (5) percent of the expenditure ceiling for the office being sought. Contributions from the candidate's own funds shall not be counted towards meeting this five percent requirement. The candidate shall provide copies of the contribution checks received and records of payments made to meet the five percent eligibility requirements.

D. The candidate is opposed by another candidate for the same office.

E. The candidate agrees to all conditions and requirements of this Act and to submit to any reasonable audit deemed appropriate by the Public Ethics Commission or other civil authorities.

F. The candidate or his or her campaign treasurer or designee attends a training program conducted or sponsored by the Public Ethics Commission.

G. The candidate has filed, and completely and accurately executed, all pre-election campaign statements that are due at the time public financing is payable. All candidates receiving public financing shall timely file, and completely and accurately execute, all post-election campaign statements for each election in which they received public financing.

3.13.090 Use of Personal Funds

A candidate who accepts public financing shall not receive contributions or loans from the candidate's own funds which aggregate total exceeds ten (10) percent of the voluntary expenditure ceiling for the office being sought. If the voluntary expenditure ceilings for the office being sought are lifted, this provision shall not apply.

Article V. Disbursement of Public Financing.

3.13.100 Duties of the Public Ethics Commission and Office of the City Auditor

A. The Public Ethics Commission shall develop any and all forms necessary to carry out the provisions of the Act. The Public Ethics Commission may, in its discretion, require any document or form to be filed in an electronic format that is provided by the Public Ethics Commission to the candidates free of charge.

B. The Public Ethics Commission shall review records submitted to determine a candidate's eligibility to receive public financing and requests for reimbursement promptly. For any candidate determined not to be eligible for public financing, the Commission or its designee shall inform the candidate of the reasons why the candidate is not eligible and what actions, if any, the candidate may take to correct any insufficiencies.

C. The City Auditor shall conduct mandatory post-election audits of all candidates accepting public financing. The City Auditor may choose to limit the scope of any audit to the items submitted for reimbursement. The audit report shall be a public record and provided to the Public Ethics Commission. The City Auditor shall conduct all audits in accordance with Generally Accepted Government Auditing Standards.

3.13.110 Requests for Public Financing

A. Public financing pursuant to this Act shall be provided solely by reimbursing eligible candidates for certain qualified campaign expenditures lawfully made by the candidate and his or her campaign committee.

- B. The qualified campaign expenditures eligible for reimbursement are:
1. candidate filing and ballot fees;
 2. printed campaign literature and production costs;
 3. postage;
 4. print advertisements;

5. radio airtime and production costs;
6. television or cable airtime and production costs; and
7. website design and maintenance costs.

C. The following conditions and restrictions shall apply to any request for reimbursement:

1. All requests for reimbursement shall be made on a form authorized by the Public Ethics Commission and shall include: (a) a copy of the billing invoice for which reimbursement is sought; (b) a copy of the check(s) by which the candidate's campaign committee made payment on the billing invoice; and (c) a copy, when applicable, of the campaign literature, advertisement, radio or television script, or website configuration.

2. All requests for reimbursement shall include a sworn declaration by the candidate and his or her campaign treasurer that (a) the check(s) used to make payment on the billing invoice represents payment in full of the billing invoice submitted for reimbursement and that sufficient funds exist in the campaign account to provide payment and (b) any money received from the Election Campaign Fund has not been previously earmarked or specifically encumbered to pay or to secure payment of any loan, return of contribution or of any expenditure other than the one for which reimbursement was sought.

D. Any decision made by the Executive Director to deny a request for reimbursement may be appealed to the Commission whose decision shall be final. A request to agendize an appeal of the Executive Director's decision shall be made in writing and delivered to the Office of the Public Ethics Commission no more than ten (10) calendar days after receiving written notice of the Executive Director's decision.

E. The total amount of public financing allocated to each candidate shall not exceed thirty (30) percent of the voluntary expenditure ceiling per election for the office being sought

3.13.120 Disbursement and Deposit of Public Financing

A. A candidate or candidate's controlled committee, certified as eligible to receive public financing, shall submit requests for reimbursement to the Public Ethics Commission in minimum increments of 1,000 or more.

B. A candidate or candidate's controlled committee, certified as eligible to receive public financing, shall submit requests for reimbursement in minimum increments of \$500 or more ten (10) calendar days before the election.

C. The Public Ethics Commission or its designee shall have ten (10) calendar days to cause the review and approval or denial of the request for reimbursement and disburse funds from the Election Campaign Fund to the candidate or candidate's controlled committee.

D. All funds disbursed from the Election Campaign Fund shall be made payable to the candidate's controlled committee and shall be deposited directly into the candidate's campaign checking account within three (3) business days of receipt.

3.13.150 Return of Surplus Funds

A. Surplus campaign funds remaining at the end of the post-election reporting period following the election for which public financing was received shall be returned to the Election Campaign Fund no later than thirty-one (31) calendar days from the last day of the semi-annual reporting period following the election in an amount specified by this section. A candidate shall not be required to return any surplus funds in an amount greater than the amount of public financing received. The amount of surplus campaign funds to be returned to the Election Campaign Fund shall be calculated by multiplying the amount of surplus campaign funds by the percentage that total public financing received represents of total monetary contributions received for the election period.

B. For purposes of this Act, campaign funds shall be considered "surplus" campaign funds to the extent that the total amount of contributions (excluding the receipt of public financing) exceed the total financial obligations of the candidate's campaign committee (excluding unlawful or non-qualified campaign expenditures) as of the last day of the semi-annual reporting period following the election. A financial obligation includes 1) accounts payable billed, or, 2) accounts payable for which bills may be expected, for goods or services received during the election.

C. Public financing shall not be disbursed to the certified candidate from the Election Campaign Fund following the day of the election or the candidate's withdrawal from the election, whichever occurs first, except that public financing may be disbursed to a certified candidate after the date of the election or withdrawal provided that the candidate submitted a properly documented request for reimbursement before the date of the election or the date of withdrawal from the election.

3.13.170 Public Debates

While not a condition for receiving public financing, candidates receiving public financing are strongly encouraged to participate in one or more nonpartisan candidate debates for each election.

3.13.180 Enforcement

The Public Ethics Commission is the sole body for civil enforcement of this Act. In the event criminal violations of the Act come to the attention of the Public Ethics Commission, the Commission shall promptly advise in writing the City Attorney and the appropriate prosecuting enforcement agency.

3.13.190 Criminal Misdemeanor Actions

Any person who knowingly or willfully 1) misrepresents his or her eligibility for public financing, 2) makes a material misrepresentation in connection with a request for reimbursement, or 3) causes, aids or abets any other person to violate the provisions of this Act, is guilty of a misdemeanor. Prosecution shall be commenced within four (4) years after the date on which the violation occurred.

3.13.200 Enforcement Actions

A. Any person who intentionally or negligently 1) misrepresents his or her eligibility for public financing, 2) makes a material misrepresentation in connection with a request for reimbursement, or 3) causes, aids or abets any other person to violate the provisions of this Act, is subject to enforcement proceedings before the Public Ethics Commission pursuant to the Public Ethics Commission General Rules of Procedure.

B. If two or more persons are responsible for any violation, they shall be jointly and severally liable.

C. Any person alleging a violation of this Act shall first file with the Public Ethics Commission a written complaint on a form approved for such purpose. The complaint shall contain a statement of the grounds for believing a violation has occurred. The Public Ethics Commission shall review, investigate and make determinations regarding any alleged violation consistent with the Public Ethics Commission's General Complaint Procedures.

D. The Commission has full authority to settle any action involving public financing in the interest of justice.

E. If the Commission determines a violation has occurred, the Commission is hereby authorized to administer appropriate penalties and fines not to exceed \$1,000 per violation and to order the repayment of public financing received or expended in violation of law.

F. The Public Ethics Commission may sue for injunctive relief to enjoin violations or to compel compliance with the provisions of this Act.

G. No complaint alleging a violation of any provision of this Act shall be filed more than four (4) years after the date the violation occurred.

3.13.220 Construction

The Act shall be liberally construed to accomplish its purposes.

3.13.240 Applicability of Other Laws

Nothing in this Act shall exempt any person from applicable provisions of any other laws of the city, state or other appropriate jurisdiction.

3.13.260 Severability

If any provision of this Act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Act to the extent it can be given effect, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby, and to this extent the provisions of this Act are severable.

IN COUNCIL, OAKLAND, CALIFORNIA, JUL 27 2010, 2010

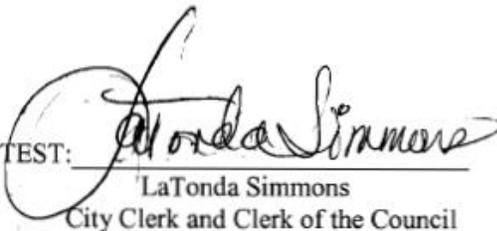
PASSED BY THE FOLLOWING VOTE:

AYES – BROOKS, ~~BRUNNER~~, KAPLAN, KERNIGHAN, NADEL, QUAN, REID, and
PRESIDENT BRUNNER - 7

NOES – De La Fuente - 1

ABSENT - 0

ABSTENTION - 0

ATTEST: 
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

Introduction Date JUL 20 2010

APPENDIX 2: Local Contribution and Expenditure Limits

CITY OF OAKLAND CAMPAIGN CONTRIBUTION AND EXPENDITURE LIMITS PER THE OAKLAND CAMPAIGN REFORM ACT 2016

LIMITATIONS ON CONTRIBUTIONS FROM PERSONS (§3.12.050)

For candidates who do not adopt the expenditure ceilings (3.12.050(A))	\$100
For candidates who adopt the expenditure ceilings (3.12.050(B))	\$700

LIMITATIONS ON CONTRIBUTIONS FROM BROAD-BASED POLITICAL COMMITTEES (§3.12.060)

For candidates who do not adopt the expenditure ceilings (3.12.060(A))	\$400
For candidates who adopt the expenditure ceilings (3.12.060(B))	\$1,500

EXPENDITURE CEILINGS FOR MAYOR AND OTHER CITYWIDE OFFICES WHO VOLUNTARILY AGREE TOP EXPENDITURE CEILINGS (§3.12.200)

Mayor	\$427,000
City Auditor	\$305,000
City Attorney	\$305,000
Council Member At-Large	\$305,000
District 1 Council Member	\$134,000
District 2 Council Member	\$134,000
District 3 Council Member	\$134,000
District 4 Council Member	\$128,000
District 5 Council Member	\$128,000
District 6 Council Member	\$128,000
District 7 Council Member	\$130,000
District 1 School Board Director	\$89,000
District 2 School Board Director	\$89,000
District 3 School Board Director	\$89,000
District 4 School Board Director	\$85,000
District 5 School Board Director	\$85,000
District 6 School Board Director	\$85,000
District 7 School Board Director	\$86,000

INDEPENDENT EXPENDITURE COMMITTEE THRESHOLD/EXPENDITURE CEILINGS LIFTED (§3.12.220)

Citywide offices	\$109,000
District offices	\$23,000