



**SAN BENITO COUNTY
AGENDA ITEM
TRANSMITTAL FORM**

Dom Zanger
District No. 1

Kollin Kosmicki
District No. 2

Mindy Sotelo
District No. 3
Chair

Angela Curro
District No. 4
Vice-Chair

Bea Gonzales
District No. 5

Item Number: 2.7

MEETING DATE: 05/23/2023

DEPARTMENT: COUNTY COUNSEL

AGENDA ITEM PREPARER: Barbara Thompson

DEPT HEAD/DIRECTOR: Barbara Thompson

SUBJECT:

BOARD OF SUPERVISORS

Discuss and provide direction to staff whether to further develop a campaign finance ordinance, and desired parameters of such an ordinance.

SBC FILE NUMBER: 160

AGENDA SECTION:

REGULAR AGENDA

BACKGROUND/SUMMARY:

This item was requested for Board consideration by Supervisors Zanger and Kosmicki and Supervisor Zanger. There are several avenues towards enacting substantive campaign finance reform via ordinance.

Political contributions in California are largely governed by the Political Reform Act. As of January 1, 2021, California has started applying the campaign contribution cap to local elections of \$4,900 for the first time to counties that had not elected to pass an ordinance on their own (<https://fppc.ca.gov/learn/campaign-rules/state-contribution-limits.html>).

In 2023-2024, this amount was increased to \$5,500 for county candidates in counties that had not enacted limits.

One of the most substantive and common local restrictions is a cap on individual donations. New legislation effective January 1, 2023, SB 1439, expanded rules previously applicable to appointed officials to elected officials. Under the expanded rules, if an official receives a contribution over \$250 from a person whose business comes before the agency within 12 months after the contribution, the official who received the contribution must disclose it publicly during the proceeding on the donor's business and must refrain from participating in or attempting to influence the outcome of the proceeding.

However, this law does not actually prohibit larger contributions from being accepted, only establishes a 12-month "time-out" period. Campaign donations can be further regulated by local ordinance.

Recommended Action by Supervisor Kosmicki and Zanger is to request the Board direct staff to develop an ordinance for Board consideration incorporating the following:

1. Individual donation cap of \$500 per cycle (so \$500 for the primary and another \$500 for the general election);
2. Eliminate the anonymity for donations of \$99 or under to maximize transparency;
3. The above limits would apply to all county elected positions;
4. Enact the law so it is effective for the 2024 election cycle and all elections thereafter;
5. Report violations to the FPPC for enforcement and penalties of up to \$5,000 per violation.

Background from 2021 Board Report

According to a report from Common Cause (attached), the smallest individual contribution limit for Board of Supervisors was \$400 (which has now been increased to \$500), (enacted in Sacramento, San Francisco, and Santa Cruz). Orange County has a maximum donation limit of \$2,000 for candidates, officials, and even committees. Humboldt and Sonoma have limits set at 1,500 and \$2,500 respectively. Many of the examples referenced in this report are from the common cause report and the campaign limits of each jurisdiction have not been independently verified).

Other counties have larger limits, including Alameda County (\$20,000), Kings County (\$25,000), or Fresno County (\$30,000). The City of Hollister has adopted a campaign contribution resolution with a cap of \$250/cycle, requiring disclosure of the identity of all donors over one dollar, and requiring disclosure of the 10 highest contributors for each committee.

In 2016, the average was reported by Common Cause to be \$1,000. In another model of campaign contribution limits, San Diego has a cap of \$25,000 for supervisors and \$50,000 for any election for the office of Assessor/Recorder/County Clerk, District Attorney, Sheriff, or Treasurer/Tax-Collector, adjusted by a CPI for "by all local, state and federal committees of the same political party with respect to a single election in support of or opposition to such candidate, including contributions to any controlled committees."

Another related option is overall campaign contributions to candidates and not just limitations per cycle/office on donors. To this end, Santa Clara has established an overall voluntary of \$250,000 for Board of Supervisors candidates and \$500,000 for the District Attorney, Sheriff, and County Assessor, respectively. However, Santa Clara's limits depend on a voluntary expenditure system. If candidates opt-in, they are entitled to take in \$1,000 in individual donations instead of the typical \$500.00

An ordinance can also specify penalties for non-compliance, such as fines (as Riverside's ordinance calls for, although minimal) or criminal penalties (Orange County, Marin County) or both to some extent (Fresno County).

In 2016, the Board considered creating a campaign ordinance and an ad hoc committee was created. However, neither of those Board members remain on the Board, and an ordinance was not finalized at that time.

The Board is requested to provide direction to staff regarding the following:

1. Recommend staff pursue an ordinance subject to the recommendation above; or
2. If further discussion is desired, provide direction:
 - a) Does the County want limits - Whether to proceed forward with a campaign finance ordinance?
 - b) If so, determine positions to which the campaign finance ordinance would apply and desired limits (per donation or total donations)
 - c) Discuss any additional disclosure requirements for donations less than \$100
 - d) Penalties (civil, criminal or both; amounts of civil fines)
 - e) Other direction/guidance

RESOLUTION OR ORDINANCE NEEDED FOR THIS ITEM:

No

CONTRACT NEEDED FOR THIS ITEM:

N/A

CONTRACT AND RFP HISTORY:

n/a

LAST CONTRACT AMOUNT OR N/A:

n/a

STATE IF THIS IS A NEW CONTRACT/ HOW MANY PAST AMENDED CONTRACTS/ OR N/A:

n/a

STRATEGIC PLAN GOALS: 1. Operational Development & Excellence

Yes

STRATEGIC PLAN GOALS: 2. Planning And Sustainable Growth

No

STRATEGIC PLAN GOALS: 3. Technology

No

STRATEGIC PLAN GOALS: 4. Community Engagement

Yes

STRATEGIC PLAN GOALS: 5. Health & Safe Community

No

BUDGETED:

N/A

BUDGET ADJUSTMENT NEEDED:

N/A

SOURCE OF FUNDING:

N/A

UNFUNDED MANDATE:

N/A

SBC BUDGET LINE ITEM NUMBER:

n/a

CURRENT FY COST:

n/a

STAFF RECOMMENDATION:

Direct staff to proceed with the recommended action if desired, or provide other direction to staff.

BOARD ACTION RESULTS:

No action taken.

ATTACHMENTS:

Santa Clara Campaign Ordinance

City of Hollister Campaign Resolution

Kings County Campaign Contribution

Local Campaign Contribution Limits Common Cause Report

Marin Financial Contributions

Orange County Campaign Contribution

Cathedral City Resolution on Campaign Contribution

Fresno County Financial Contributions

Riverside Campaign Contribution