



## Legislation Details (With Text)

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**Title:** CONSIDER APPROVAL OF A RESOLUTION, ESTABLISHING "NO LIMIT" AS THE LIMIT APPLICABLE TO CAMPAIGN CONTRIBUTIONS FOR CANDIDATES FOR ELECTION TO CITY OFFICES

**Sponsors:**

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**Attachments:** 1. Resolution Setting Campaign Contribution Limit

Date	Ver.	Action By	Action	Result
11/17/2020	1	City Council		

## Report to Mayor and City Council

Tuesday, November 17, 2020

Consent

### SUBJECT:

**CONSIDER APPROVAL OF A RESOLUTION, ESTABLISHING "NO LIMIT" AS THE LIMIT APPLICABLE TO CAMPAIGN CONTRIBUTIONS FOR CANDIDATES FOR ELECTION TO CITY OFFICES**

### I. SUMMARY

Beginning on January 1, 2021, Assembly Bill 571 (AB 571) will impose statewide default campaign contribution limits applicable to campaigns for elective city offices in cities which have not established limits of their own, but will allow cities to continue to be permitted to enact their own local limits. Cities may adopt limits that are higher or lower than the default state limits, and the FPPC has opined that a city may also adopt "no limit" as its limit and thereby avoid the state default limits.

The City currently has no established local limit applicable to elections for City offices. The proposed resolution would establish "no limit" as the campaign contribution limit applicable to campaigns for elective City offices.

### II. RECOMMENDATION

1. Consider adopting A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON ESTABLISHING “NO LIMIT” AS THE LIMIT APPLICABLE TO CAMPAIGN CONTRIBUTIONS FOR CANDIDATES FOR ELECTIONS FOR CITY OFFICES.

### **III. ALTERNATIVES**

DO NOT APPROVE the proposed resolution and allow the State law default campaign contribution limits to become effective within the City.

DIRECT staff to return with an ordinance imposing campaign contribution limits distinct from those imposed by the State.

TAKE another action the City Council deems appropriate.

### **IV. BACKGROUND**

The City of Carson currently does not have any established local campaign contribution limits for candidates in City elections. Last year the California legislature enacted Assembly Bill 571 (AB 571) which, beginning January 1, 2021, will impose campaign contribution limits currently applicable to certain State offices (those that are not elected statewide) upon local elections in cities that do not have a local limit in place.

AB 571 amended Government Code Section 85301(a) to do the following: (i) make State campaign contribution limits applicable to cities that do not currently have them; (ii) allow cities to set different campaign contribution limits based on their local circumstances; and (iii) empower cities to enforce these limits through standard enforcement methods, such as criminal, civil, or administrative citations.

The current campaign contribution limit for State offices is \$4,700 and is updated by the State in odd-numbered years to reflect increases or decreases in CPI. The limit represents the maximum amount that a person can donate to a given candidate in a given election (i.e., \$4,700 per candidate, per election).

Commencing January 1, 2021, AB 571 also imposes additional requirements for candidates for elective city office in cities that have not established local campaign contribution limits (i.e., cities that default to State limits). These requirements are summarized as follows:

1. Candidates cannot make a campaign contribution to another candidate in excess of the State contribution limit.
2. A candidate or committee controlled by the candidate cannot make a contribution to any other candidate for city office in excess of \$3,000 per election.
3. Candidates may transfer campaign funds from one controlled committee to another controlled committee of the same candidate using the “last in, first out” or “first in, first out”

accounting method. Attributed contributions, when combined with all contributions from the same contributor, cannot exceed the limit imposed by Government Code 85301.

4. Candidates cannot personally loan money to his or her campaign in an amount which exceeds \$100,000.

5. An elected city official may establish a committee to oppose a recall measure and election as soon as the official receives a notice of intent against them and can accept contributions without regard to state contribution limits.

6. Candidates can accept contributions after the date of the election only to the extent that the contributions do not exceed net debts outstanding from the election and the contributions do not otherwise exceed the State's contribution limits.

7. Candidates may carry over contributions raised with one election to pay campaign expenditures incurred in connection with a subsequent election for the same office.

8. A candidate for elective city office may raise contributions for a general election before the primary election, and for a special general election before a special primary election, for the same elective city office if the candidate sets aside these contributions and uses these contributions for the general election or special general election.

California cities are authorized to set local campaign contribution limits at amounts that may be higher or lower than the default State limits under AB 571. If the City imposes its own local limits, then pursuant to AB 571, none of the rules above will apply to the City (even though some of the rules do not relate to a limit on campaign contributions).

The FPPC has opined that a City may affirmatively establish "no limit" as its local limit on campaign contributions, and that in doing so it will avoid applicability of the state default limits, just as it would if it were to adopt specific numerical limits higher or lower than the state default limits.

The proposed resolution would establish "no limit" as the local limit for campaign contributions to candidates for election to City offices. This includes setting no limit on the amount of campaign contributions that a given person may make to a given candidate for elective City office, and no limit on the amount of campaign contributions that a candidate for elective City office may accept from a given person.

As noted above, if the City adopts the proposed resolution setting local campaign contribution limits distinct from the default limits set by the State, according to the FPPC, the City would avoid the state law default limits, and the additional rules set by AB 571 will not apply. Additionally, the FPPC would not enforce the local limit, and instead the City would be responsible for enforcing it.

## **V. FISCAL IMPACT**

There is no fiscal impact anticipated from the enactment of the Resolution.

**VI. EXHIBITS**

Resolution

Prepared by: CITY ATTORNEY'S OFFICE