

*Los Angeles City Ethics Commission*  
**Quick Guide to Key Recommendations:**  
**Campaign Finance Laws**  
 July 2014

<b>Bidders &amp; Underwriters</b>			
<b>Topic</b>	<b>Current Law</b>	<b>Proposed Law</b>	<b>Citation</b>
<b>Bidder Forms</b>	Awarding authorities must submit bidder forms in PDF or other electronic format. No reference is made to reporting for the Citywide contract database.	Awarding authorities must submit bidder forms in a format prescribed by the Ethics Commission. Awarding authorities must also report contracts for the Citywide contract database.	LAMC § 49.7.35(B)(2) 49.7.36(B)(2) 49.7.17(A)
<b>Debarred Aiders and Abettors</b>	Persons who violate the contribution or fundraising limits are debarred from City contracts for a specified period of time.	Persons who violate or who aid and abet a violation of the contribution or fundraising limits are debarred from City contracts for a specified period of time.	LAMC §§ 49.7.35(C)(1), 49.7.36(B)(6)
<b>Debarred Entities</b>	The debarment of entities formed by debarred persons is not addressed.	An entity is debarred if it is formed by or has the same or similar management, ownership, or principal employees as a debarred person.	LAMC § 49.7.35(C)(1), 49.7.36(B)(6)

<b>Contributions &amp; Fundraising</b>			
<b>Topic</b>	<b>Current Law</b>	<b>Proposed Law</b>	<b>Citation</b>
<b>Aggregation</b>	Contributions from two or more persons will be aggregated and considered to be from a single person in specific scenarios.	Contributions from two or more persons will be aggregated and considered to be from a single person in two additional circumstances, involving a person prohibited from making contributions and a committee or business controlled by that person.	LAMC § 49.7.4
<b>Contributor Certification</b>	Candidate fundraising and contribution forms with a signature line must provide the option for contributors to certify that their contributions are lawful.	All candidate fundraising and contribution forms must provide the option for contributors to certify that their contributions are lawful. Obtaining a certification is evidence that the candidate or committee acted in good faith.	LAMC §§ 49.7.16(B),(C)
<b>Pre-election Fundraising Window</b>	The pre-election fundraising window for special elections is not specified.	The pre-election fundraising window for special elections begins when the election has been called by ordinance.	LAMC § 49.7.10

<b>Contributions &amp; Fundraising (cont'd)</b>			
<b>Topic</b>	<b>Current Law</b>	<b>Proposed Law</b>	<b>Citation</b>
<b>Post-election Fundraising Window</b>	<p>The post-election fundraising window ends 12 months after the date of the election for which the committee was established. Three-month extension may be granted in extraordinary circumstances.</p> <p>Post-election fundraising may be used only to retire debt.</p>	<p>The post-election fundraising window ends 12 months after the date of the general election for all committees established for that election cycle, with no extensions.</p> <p>Post-election fundraising may be used only to retire debt of the candidate or committee for that election or to pay compliance, fundraising, or inauguration expenses for the candidate or committee.</p>	LAMC § 49.7.10

<b>Disclosure</b>			
<b>Topic</b>	<b>Current Law</b>	<b>Proposed Law</b>	<b>Citation</b>
<b>Committee Information</b>	City candidate committees must disclose contact information, including the websites and social media accounts they use or control for campaign purposes.	All City committees active in City elections must disclose contact information, including the websites and social media accounts they use or control for campaign purposes.	LAMC § 49.7.15
<b>Independent Expenditure Communications</b>	A person must disclose independent expenditure communications when the expenditures reach certain dollar values.	A person must disclose independent expenditure communications when the expenditures reach certain actual or fair market dollar values for one or more communications.	LAMC § 49.7.31(A)
<b>Reproduction of Materials</b>	A person who reproduces material previously produced or distributed by a candidate or candidate committee must report the expenditure as a non-monetary contribution.	A person who reproduces, in whole or substantial part, material previously produced or distributed by a candidate or any committee has made a non-monetary contribution to the committee. Notice must be given to a candidate or City committee whose material was reproduced. Candidates and committees that can show no prior knowledge of the reproduction are not liable for violations.	LAMC § 49.7.18
<b>Slate Mailers</b>	Slate mailers are not addressed.	Candidates must file with the Ethics Commission copies of slate mailers for which they have incurred expenses.	LAMC § 49.7.32(A)
<b>Social Media</b>	An elected official may not use a social media account for campaign purposes if the account is used or has been used for City purposes.	An elected official may not use a social media account or web site for campaign purposes if it is paid for, sponsored by, or hosted by the City.	LAMC § 49.7.34(B)

Disclaimers			
Topic	Current Law	Proposed Law	Citation
<b>Exceptions</b>	Disclaimers are not required on small promotional items and other items on which a disclaimer cannot reasonably be displayed.	Disclaimers are not required on slate mailers, wearing apparel, small promotional items, and other items on which a disclaimer cannot reasonably be displayed.	LAMC § 49.7.33(E)
<b>Independent Expenditure Communications</b>	<p>Disclaimer must read, in part, that the communication is "not authorized by a City candidate."</p> <p>For committees, the disclaimer must list the committee's top two contributors in the past six months.</p>	<p>Disclaimers must read, in part, that the communication is "not authorized by a City candidate or a committee controlled by a candidate." This portion of the disclaimer is not required when the communication addresses only ballot measure.</p> <p>For committees, the disclaimer must list the committee's top two contributors of at least \$1,000 in the past six months.</p>	LAMC §§ 49.7.33(B),(C)
<b>Small Electronic Communications</b>	Disclaimers on small electronic communications are not addressed.	If an electronic communication's size makes it impractical to include the full disclaimer, the disclaimer must state, at a minimum, "Paid for by [committee ID number or person's name]. The full disclaimer must also be provided when users interact with the communication, such as through a rollover or link.	LAMC § 49.7.33(E)(2)
<b>Social Media</b>	A candidate must state on the home page of a social media account that it is being used for campaign purposes.	A candidate must state on the home page of a social media that it is being used for campaign purposes. If the account or a Web site is not paid for, sponsored by, or hosted by the City, that must also be stated.	LAMC § 49.7.34

Matching Funds			
Topic	Current Law	Proposed Law	Citation
<b>Claim Process</b>	Claims will be processed within five business days of receipt.	Claims will be processed within six business days of the date all necessary information necessary has been received or the candidate qualifies to receive matching funds.	LAMC § 49.7.30(A) LAAC § 24.34(d)(1)(C) 24.34(f)(1)
<b>Claim Amounts</b>	Claims must represent minimum amounts in matchable contributions.	A claim may represent any amount in matchable contributions if the claim will reach the candidate's maximum funds. If a contribution cannot be negotiated, associated matching funds must be returned or an alternate contribution must be submitted.	LAMC § 49.7.28(A)(2) 49.7.28(B) LAAC § 24.34(c)(2)(B)

Matching Funds (cont'd)																																					
Topic	Current Law			Proposed Law			Citation																														
Claim Certification	Candidates must certify that the information in the claim is true and complete and that all contributions are from City residents.  Certification by contributors is not addressed.			Candidates must certify that the information in the claim is true and complete, that all contributions from City residents, and that all contributions have been deposited into the campaign account.  Contributors must certify that the information they provide is correct and that they have provided their residence address.			LAAC §§ 24.34(a)(7)(B)																														
Expenditure Ceilings	Candidates may not make expenditures that exceed certain thresholds.			Candidates may not make or incur expenditures that exceed certain thresholds. Returned or refunded contributions and certain filing fees do not count toward the ceilings.			LAMC § 49.7.24(A),(C)																														
Maximum Funds	Qualified candidates may receive up to the following amounts of public funds:  <table><tr><td></td><td>Primary</td><td>General</td></tr><tr><td>Council</td><td>\$100,000</td><td>\$125,000</td></tr><tr><td>Controller</td><td>\$267,000</td><td>\$300,000</td></tr><tr><td>City Attorney</td><td>\$300,000</td><td>\$350,000</td></tr><tr><td>Mayor</td><td>\$667,000</td><td>\$800,000</td></tr></table>				Primary	General	Council	\$100,000	\$125,000	Controller	\$267,000	\$300,000	City Attorney	\$300,000	\$350,000	Mayor	\$667,000	\$800,000	Qualified candidates may receive up to the following amounts of public funds:  <table><tr><td></td><td>Primary</td><td>General</td></tr><tr><td>Council</td><td>\$150,000</td><td>\$187,000</td></tr><tr><td>Controller</td><td>\$400,000</td><td>\$450,000</td></tr><tr><td>City Attorney</td><td>\$450,000</td><td>\$475,000</td></tr><tr><td>Mayor</td><td>\$1,000,000</td><td>\$1,200,000</td></tr></table>				Primary	General	Council	\$150,000	\$187,000	Controller	\$400,000	\$450,000	City Attorney	\$450,000	\$475,000	Mayor	\$1,000,000	\$1,200,000	LAMC § 49.7.29
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Participation	Candidates may opt into the program during Candidate Filing Week.			Candidates may opt into the program any time after filing a Declaration of Intent to Solicit and Receive Contributions but no later than the close of Candidate Filing Week.			LAMC § 49.7.22(A) LAAC § 24.32(a)(1)(A)																														
Personal Funds	Candidates may not contribute more than certain amounts in personal funds to their campaigns.			Candidates may not contribute or lend more than certain aggregate amounts in personal funds per election.			LAMC § 49.7.23(C)(5) LAAC § 24.32(a)(3)(D)																														
Qualification	Qualifying and matchable contributions must be received in the 12 months prior to an election.  Candidates must certify certain statements regarding their eligibility.			Qualifying and matchable contributions may be received any time during the fundraising window.  Candidates must certify certain statements regarding their eligibility, including not using matching funds in violation of any law, not using matching funds to pay fines or inauguration expenses, attending mandatory training, and becoming disqualified if program terms are not met.			LAMC §§ 49.7.2(S)(6), 49.7.23(C) LAAC § 24.32(a)(3)																														

<b>Matching Funds (cont'd)</b>			
<b>Topic</b>	<b>Current Law</b>	<b>Proposed Law</b>	<b>Citation</b>
<b>Rate of Match</b>	Qualified candidates receive public funds at a 1:1 rate in both the primary and the general election. Qualified candidates who submit valid signatures of 1,000 registered voters with their ballot nominating petitions receive public funds at a 2:1 rate in the primary and a 6:1 rate in the general.	Qualified candidates receive public funds at a 6:1 rate in both the primary and the general election.	LAMC § 49.7.27(B)
<b>Return of Matching Funds</b>	Surplus matching funds must be returned within 90 days after the election or 10 days after the candidate withdraws from the election. Funds must be returned by check.	Surplus matching funds must be returned within 90 days after the election or 10 days after the candidate withdraws from the election. Other matching funds must be returned within 15 days of notice from the Ethics Commission. Funds must be returned by cashier's check.	LAAC §§ 24.36(b),(c)