



MICHAEL N. FEUER
CITY ATTORNEY

REPORT NO. R 18 - 0 2 8 5
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REPORT RE:

**DRAFT ORDINANCE AMENDING CHAPTER 3 OF DIVISION 24 OF THE
LOS ANGELES ADMINISTRATIVE CODE TO REVISE REGULATIONS OF THE CITY
ETHICS COMMISSION CONCERNING MATCHING FUNDS**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Honorable Members:

As requested by the Ethics Commission, this Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. The draft ordinance amends Chapter 3 of Division 24 of the Los Angeles Administrative Code by revising Ethics Commission regulations regarding public matching funds for campaigns.

Summary of Ordinance

This draft ordinance reflects the Ethics Commission's proposals to amend matching funds regulations. The proposed regulations make technical changes and revise the documentation criteria for qualification and payment requirements for matching funds candidates that would be imposed by proposed changes to the Campaign Finance Ordinance. The revisions include requiring matching funds candidates to debate opponents or participate in a town hall, and reduce the number of qualifying in-district contributions from 200 to 100. Additionally, the regulations incorporate parallel proposed changes to the campaign finance ordinance regarding certification by contributors.

The Ethics Commission companion proposal to amend the City's Campaign Finance Ordinance requires a separate ordinance and will be drafted upon the City Council's request. This draft ordinance amending the Ethics Commission regulations is provided to ensure the City Council is able to adhere to procedural time limits discussed below.

Time Limit and Authority for Council Action

Pursuant to Charter Section 703, the City Council must hold a public hearing and either approve or disapprove Ethics Commission regulations within 60 days of adoption by the City Ethics Commission. If not disapproved within that time, the Mayor has ten days to approve or disapprove the regulations. If not disapproved by the Mayor, the regulations have the force of law. The City Ethics Commission adopted these regulations on August 21, 2018. The last regular City Council meeting day to act on this matter is October 19, 2018.

Pursuant to Los Angeles City Charter Section 703, the City Council may only approve or disapprove the ordinance and cannot amend it, as the ordinance is the codification of the Ethics Commission's regulations. If certain changes to the Campaign Finance Ordinance proposal are made, changes to the matching funds regulations may be required. In that circumstance, the City Council may need to disapprove this ordinance prior to the October deadline so that the Ethics Commission may consider those necessary regulation changes at a later meeting.

Council Rule 38 Referral

A copy of the draft ordinance was sent, pursuant to Council Rule 38, to the City Ethics Commission, and its comments have been incorporated.

If you have any questions regarding this matter, please contact Assistant City Attorney Renee Stadel at (213) 978-7100. She or another member of this Office will be present when you consider this matter to answer questions you may have.

Sincerely,

MICHAEL N. FEUER, City Attorney

By


DAVID MICHAELSON
Chief Assistant City Attorney

DM:RS:cl
Transmittal