



Los Angeles City Ethics Commission

August 27, 2014

The Honorable City Council  
c/o Holly Wolcott, City Clerk  
200 North Spring Street  
City Hall—3rd Floor  
Los Angeles CA 90012

**Re: Matching Funds and Voter Turnout**

*FOR COUNCIL CONSIDERATION*

Dear Councilmembers:

Voter turnout in City elections is critically low and at a crisis level. In the recent 2013 mayoral race, 23 percent of registered voters turned out to vote in the general election and just 20 percent voted in the primary election.

The City has been concerned about low voter turnout for some time, and the Ethics Commission shares that concern. At our meeting on August 14, 2014, we considered voter turnout data in light of campaign spending. Attachment A shows that, while voter turnout decreased from 2001 to 2013, going from 37% to 23% in the general mayoral election, campaign spending increased dramatically, from \$44,003,365 to \$55,713,703. This indicates to us that fewer people are voting, despite the fact that more money is being spent to encourage them to vote. If this downward voter turnout trend is not quickly halted and reversed, we fear that many will begin losing trust and faith in city government as fewer and fewer have taken the effort through their vote to establish their ownership of, and responsibility for, that government.

We applaud the work of the City of Los Angeles Municipal Elections Reform Commission and support its recommendations regarding ways to increase voter turnout in City elections. Many of its recommendations could not occur immediately, however, and we believe there are some options that could be undertaken more quickly.

One of those options is a drawing that would randomly award financial prizes to individuals who cast lawful ballots in City elections. We recommend that the City Council discuss the possibility of creating a pilot program for such a drawing, to help increase voter turnout. In our discussion on August 14, we envisioned a pilot program for 2015, in which winners would be selected for each election through a random drawing held after the City Clerk has certified election results but within 30 days after the date the election.

We also discussed the possibility of using a small portion of the Matching Funds Trust Fund to finance the prizes. Our recommendation would be to permit the pilot program to use the

lesser of \$100,000 or one percent of the trust fund balance per election as the prize pool. The amount of each individual prize could vary. For example, there might be 100 prizes of \$1,000 each or there might be two \$25,000 prizes and one \$50,000 prize.

In addition to determining prize amounts, there would also be a number of other factors to consider in establishing a drawing pilot program. For example, a drawing cannot be held for City elections in which a Federal candidate or measure also appears on the ballot. In addition, a ballot measure might be required to amend City Charter section 471 before matching funds could be used as prize money. Should the City Council use an alternative funding source for the prizes other than the matching funds, a ballot measure to amend City Charter section 471 would not be needed.

Implementation issues would also need to be decided. For example, a contractor might need to be hired to work with the City Clerk's office to create the pool of potential winners (lawful voters) and to select actual winners for each election. A method for notifying winners would be necessary. Unclaimed prize money should be returned to the Matching Funds Trust Fund or the alternative source of funds after a certain period of time. Regardless of how a pilot program is structured, there will be ongoing implementation costs that should be identified. Initial costs could also include putting a measure on the ballot to permit the use of matching funds money.

The drawing idea has received national and international press coverage since the Ethics Commission discussed it on August 14. A few recent articles are provided in Attachment B. As with anything new, some people are in favor and some are not. What is important, though, is that the issue of low voter turnout is being widely discussed. We are optimistic that the public discussion will lead to good solutions, and we believe a drawing is a good place to start.

We recommend that the City Council continue the discussion and consider the possibility of establishing a drawing pilot program to help increase voter turnout. I would welcome the opportunity to talk with you and to attend public meetings about this idea. Please feel free to contact me or Executive Director Heather Holt at (213) 978-1960.

Sincerely,



Nathan Hochman  
President

*Attachments:*

- A "Campaign Financing and Voter Turnout", staff report 8/14/14.*
- B News Articles*