

## Item 10c - Staff Memo dated March 31, 2022



Arvon Perteet, Chair  
Michael B. MacDonald, Vice-Chair  
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Jessica Leavitt  
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Whitney Barazoto, Executive Director

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TO: Public Ethics Commission  
FROM: Whitney Barazoto, Executive Director  
DATE: March 31, 2022  
RE: Proposed Legislation to Amend the Oakland Campaign Reform Act and  
Lobbyist Registration Act and to Replace the Limited Public Financing Act with  
the Oakland Fair Elections Act

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### SUMMARY

The Public Ethics Commission (PEC or Commission) is reviewing a proposal submitted by the Bay Area Political Equality Collaborative (BayPEC) to redesign Oakland's public financing system to facilitate meaningful participation by all Oaklanders in the campaign process through a Democracy Dollars program that provides \$100 to every Oakland voter to give to the candidate(s) of their choice.

Specifically, the proposed legislation would strike all existing language in the Limited Public Financing Act and replace it with the Oakland Fair Elections Act and a newly constructed public financing program that disperses \$100 in Democracy Dollars to each Oakland voter who can then assign the Dollars to their preferred candidate. The new law outlines criteria for participation and thresholds that a candidate must meet to qualify for the program and receive assigned vouchers, including campaign spending limits and participation in a certain number of public forums. It also includes a significant outreach component, to be led by the PEC, as well as a variety of new duties for the PEC and its staff.

The proposed legislation also amends the City Charter to add required funding as well as four new PEC staff positions to implement the new program. In addition, the legislation adjusts contribution and spending limits for Oakland campaigns and extends the post-employment lobbying ban for City officers from one-year to three years.

Below is a more detailed summary of the changes. Overall, Commission staff is supportive of the proposed legislation; however, staff will need more time to fully analyze all the detailed legal and practical implications of the newly proposed Democracy Dollars Program and work with the authors to ensure the provisions are clear and aligned with state and local laws. Staff suggests the creation of a subcommittee of Commissioners to be available alongside staff in coordinating with BayPEC and City Councilmembers on future amendments as this moves through the legislative process.

### EXISTING LAW

The Public Ethics Commission is established in City Charter section 603, as amended by voters in 2014, and is tasked with the duty to implement and ensure compliance with the Oakland Campaign Reform Act, Limited Public Financing Act, and Lobbyist Registration Act, among other laws.<sup>1</sup> City Charter section 603 further requires that amendments to any law that the Commission has the power to enforce and that are proposed by a member of City Council must be submitted to the Commission for review and comment prior to passage by the Council.<sup>2</sup>

The state-level California Political Reform Act governs rules, requirements, and restrictions related to candidates and their committees. The Oakland Campaign Reform Act (OCRA) was passed by City Council in 1994 to impose additional requirements and restrictions on local candidates, including contribution limits, expenditure ceilings, electronic reporting requirements, and other restrictions. Candidates for City office must comply with both state and local campaign finance rules.

The Limited Public Financing Act (LPFA), enacted in 1999 and updated in 2010, provides District City Council candidates with some public funds by way of reimbursements for certain qualified expenditures, to be used for campaign expenses with the goal of helping ensure that all individuals have a fair and equal opportunity to participate in the elective and governmental process. The existing LPFA program is a reimbursement system in which candidates must meet certain contribution and expenditure threshold requirements in order to receive public funds by way of reimbursements for certain kinds of campaign expenditures; the program has been funded at \$155,000 per election cycle and provides roughly \$10,000-\$20,000 in public funds per eligible candidate per election. Campaign expenditure ceilings (capping total spending by a candidate's campaign during an election cycle) generally range between \$140,000-\$160,000 for each City Council district race.

The Lobbyist Registration Act (LRA), first adopted in 2002, requires lobbyists to register and file quarterly reports with the PEC and imposes limitations on lobbyist gifts, payments, and other activities, including a one-year ban on former City officers, department heads, or budget director lobbying the City after leaving office. "City officer" includes the Mayor, City Administrator, City Councilmembers, City Attorney, City Clerk, City Auditor, and executive officers and members of City commissions and boards.<sup>3</sup>

### PROPOSED AMENDMENTS

The proposed legislation consists of four sections, each amending a separate local law as follows:

- I. Amends Oakland Municipal Code Title 3 by deleting Chapter 3.13 (Limited Public Financing Act) and adding a new Chapter 3.15, titled "Oakland Fair Elections Act"**

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<sup>1</sup> City Charter Sec. 603(b)(1)(ii).

<sup>2</sup> City Charter Sec. 603(h).

<sup>3</sup> City Charter Sec 400.

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This is the most substantive of the four categories of amendments whereby the existing Limited Public Financing Act (Chapter 3.13) is deleted in its entirety and is replaced by a new Democracy Dollars Program (Program) that distributes public funds to all Oakland residents who are registered to vote so that they may give the funds to the candidate(s) of their choice.

The Democracy Dollars Program includes the following main components:

1. Funding for Democracy Dollars
  - a. Establishment of a Democracy Dollars Fund of \$4 million for funding of four \$25 Democracy Dollars (for a total of \$100) for each election to be distributed to eligible residents who are registered to vote or who request Democracy Dollars electronically and meet specified criteria.
  - b. Appropriation of at least \$1,250,000 to the PEC for administration of the Program, subject to CPI increases every two years.
  - c. An additional appropriation of at least \$700,000 to cover initial start-up costs to build the Program (most likely to go toward technology needed to implement the Program)
2. PEC is Responsible for Administering the Program and Shall Do the Following:
  - a. Adopt rules, regulations, and procedures to implement the Program and has discretion to adjust main conditions of the Program as needed.
  - b. Design the Democracy Dollar to include elements specified by law.
  - c. Conduct education and outreach, including developing an outreach plan in coordination with community organizations and the City's Race and Equity Department, to ensure all City residents are informed about the Program.
  - d. Create and maintain an online portal with information such as the resident's name, date, candidate recipient name and office sought for each Democracy Dollar assigned, as well as broader information about the total number of DD's assigned to and redeemed by each candidate and an online mechanism for requesting and assigning DD's.
  - e. Conduct audits of all certified candidates.
  - f. Issue oral advice and written options.
  - g. Review the implementation of the Program in coordination with the Race and Equity Department and submit a post-election report to City Council.
  - h. Review the Fund, project the amount of revenue available in the Fund to ensure it will be sufficient to disburse DD proceeds up to the maximum amounts allowable under the Program and if not, request an appropriation from Council. If none provided, then proceed with modifications to the program as indicated by law.
3. PEC Creates and Distributes Democracy Dollars to Voters

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- a. PEC shall mail to each eligible resident who is registered to vote four \$25 Democracy Dollars no later than April 1 of the year in which the election occurs.
  - b. PEC shall develop an electronic system for the administration of the Program to receive and maintain information regarding Democracy Dollars, electronically distribute Democracy Dollars to eligible residents upon request, and monitor the redemption of Democracy Dollars issued.
4. Residents Assign Democracy Dollars (DD)
- a. Residents may give, or “assign,” one or more of their four \$25 Democracy Dollars to the candidate(s) of their choice by writing the name of the candidate on the DD, signing and dating the DD, and submitting the DD to the PEC (by mail, personal delivery, or online) or to a candidate or representative of the candidate.
  - b. DD’s can be assigned by a resident up to 30 days after the election.
5. Candidates Must be Certified in the Program to Receive DD’s; Steps for Certification Include the Following:

- a. Candidate must submit a notice of intent to apply for certification in the Program during the qualifying period (Jan 1 of the election year through 14 days after the close of the nomination period, which is usually around early-August). On the notice of intent, candidates must attest to personally participating in at least three public debates or forums (five for Mayoral candidates), among other requirements.
- b. Candidate must submit a written application for certification during the qualifying period attesting that they have met specified requirements and that they have received the minimum number of qualifying contributions required for the office sought:

| Office Sought                                       | Total # of Qualifying Contributions Needed | Minimum # Needed from Each District |
|-----------------------------------------------------|--------------------------------------------|-------------------------------------|
| Mayor                                               | 400                                        | 10                                  |
| City Attorney, City Auditor, At-Large Councilmember | 150                                        | 5                                   |
| District Councilmember                              | 125                                        | 5                                   |
| School Board Director                               | 75                                         | 5                                   |

- c. PEC Director reviews and determines whether candidates have met requirements to become certified, and, once certified, may revoke a candidate’s certification if they fail to qualify for the ballot or withdraw from the election.
- d. The Commission may revoke a candidate’s certification if the candidate violates or no longer meets certification requirements or commits other violations of state or local law.
- e. A candidate whose certification is revoked must return remaining DD proceeds to the Fund and in some cases (legal violations) shall be personally liable for any DD proceeds already spent by the candidate.

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6. Certified Candidates Redeem Democracy Dollars (DD's) for Payments to their Campaign

- a. A candidate may submit assigned DD's to the PEC by mail or personal delivery up to 30 days after the election day.
- b. The PEC shall distribute DD proceeds from the Fund to the candidate after verifying the candidate is certified, the DD was properly assigned by an eligible resident, and the disbursement of the DD proceeds will not cause the candidate to exceed the maximum amount of DD proceeds available to that candidate. Maximum amounts of DD proceeds available for each office are as follows, subject to CPI adjustment every two years:

| Office Sought                                       | Maximum Amount of DD Proceeds Available |
|-----------------------------------------------------|-----------------------------------------|
| Mayor                                               | \$400,000                               |
| City Auditor, City Attorney, At-Large Councilmember | \$150,000                               |
| District City Councilmember                         | \$100,000                               |
| School Board Director                               | \$50,000                                |
| Uncontested Candidates                              | \$10,000                                |

- c. Disbursements shall be issued pursuant to a timeline set by the PEC with disbursements occurring no less than twice per month, and, in October and November of an election year, no less than once per week until the election.

7. Certified Candidates Must Limit Campaign Spending

- a. An applicant or certified candidate may not make qualified campaign expenditures in excess of the expenditure limit for the office sought, as follows (subject to CPI increases every two years):

| Office Sought                                       | Campaign Expenditure Limit |
|-----------------------------------------------------|----------------------------|
| Mayor                                               | \$470,000                  |
| City Auditor, City Attorney, At-Large Councilmember | \$200,000                  |
| District City Councilmember                         | \$150,000                  |
| School Board Director                               | \$75,000                   |

- b. The PEC Director shall release a candidate from the expenditure limit upon request and verification that an opponent has funds that exceed the expenditure limit or that independent expenditures exceeding the expenditure limit were made in opposition to the petitioning candidate or supporting another candidate for that office.

8. Additional rules, restrictions, and requirements limiting the use of personal funds and campaign funds, requiring return of surplus funds after an election, and prohibitions on the sale or transfer of Democracy Dollars, among other details.

9. PEC Enforcement includes administrative and civil penalties similar to those in other laws enforced by the PEC.

10. The new Democracy Dollars Program shall first apply to the 2024 elections and continue through subsequent elections.

### II. Amends Oakland Municipal Code Chapter 3.12 (Oakland Campaign Reform Act)

This section makes several changes to the Oakland Campaign Reform Act (OCRA) to conform with the newly proposed Democracy Dollars Program as well as additional changes to enhance disclosure requirements for independent expenditure advertisements, among other amendments. Specifically, the new amendments do the following:

1. Deletes OCRA's unique term and definition for "broad-based political committee" and instead use the term "small contributor committee" which is defined by state regulations under the California Political Reform Act. (PEC-staff requested amendment to update/align local law with state rules)
2. Sets individual contribution limits for all candidates at \$400 (currently \$900), and for small contributor committees at \$800 (currently \$1,800), adjusted annually per the CPI. Clarifies that Democracy Dollars and public funds dispersed to candidates shall not be considered a "contribution" under OCRA.
3. Deletes the requirement that a loan to a candidate or committee shall be by written agreement to be filed with the candidate's campaign statement on which the loan was first reported. (PEC-staff requested amendment to simplify and reduce unnecessary requirements.)
4. Deletes the requirement that funds contributed to a candidate or official's legal defense fund must first be deposited into the campaign bank account prior to being deposited into the legal defense fund. (PEC-staff requested amendment to delete an outdated requirement that serves no purpose and that makes it more challenging to track activities and view campaign finance data.)
5. Deletes all sections related to campaign expenditure ceilings, which are now included within the public financing framework in the Fair Elections Act.
6. Expands disclosure of committees receiving contributions of \$5,000 or more from its top two to its top three highest contributors on all mass mailings and advertisements (not just TV ads) that are independent expenditures supporting or opposing Oakland candidates or measures.
7. Adds a new section to require a person to notify the PEC of an independent expenditure communication costing \$1,000 or more and to provide detailed information, as well as a copy of the communication such as telephone/audio/video scripts and a copy of the audio or video file or printed materials, to the Commission by specified deadlines. The PEC shall post all copies of IE communications filed with the Commission within 48 hours or receipt.
8. Adds language to require late filing fees and any funds forfeited to the City to be deposited into the Democracy Dollar Fund.
9. Expands City Clerk duties to ensure the Clerk's office provides the PEC with information and forms necessary to implement the Democracy Dollars Program and ensure compliance with OCRA rules.

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10. Makes minor changes to the findings and declarations as well as the purpose of the OCRA to align the intent language with the new changes in the law.

### III. Amends Oakland Municipal Code Chapter 3.20 (City of Oakland Lobbyist Registration Act)

This brief amendment extends the lobbying ban on former City officers from one year to three years after leaving office.

### IV. Amends Oakland City Charter Section 603 (Public Ethics Commission)

This section makes conforming changes to City Charter section 603, regarding the establishment, activities, authority and staffing of the Public Ethics Commission, to integrate the new Oakland Fair Elections Act (OFEA) and provide sufficient staffing to implement the new Democracy Dollars Program. Specifically, the proposal adds the following:

1. Beginning on July 1, 2023, the City shall appropriate to the PEC at least \$1,250,000 to administer the Democracy Dollars Program, as well as at least \$4,000,000 for the purpose of funding Democracy Dollars. In addition, for the 2023 fiscal year, the City shall appropriate at least \$700,000 for the purpose of start-up costs associated with initiating the Democracy Dollars Program.
2. Effective July 1, 2023, the City shall provide adequate staffing necessary to properly administer the Democracy Dollars Program, including at least 4 additional full-time positions reporting to the Executive Director: a Program Director, two Program Analysts, and one Administrative Assistant.

## ANALYSIS

In September 2020, the Commission issued a report, *Race for Power: How Money in Oakland Politics Creates and Perpetuates Disparities Across Income and Race*, that reviewed outcomes from Oakland's existing public financing program and overall campaign finance system and recommended a new approach for Oakland to expand and diversify participation and influence in the campaign process. The Commission conducted a comprehensive review of campaign finance data and activities and articulated the ways in which some Oaklanders lack political power, particularly in the campaign finance process which relies on those with money to make contributions to political campaigns. The Commission explored best practices in other jurisdictions, including other public financing models, and concluded that a Democracy Dollars program "shows the most promise for bringing equity to the campaign finance process since it equips all voters with campaign 'cash' to contribute to campaigns, thereby incentivizing candidates to engage across demographics regardless of wealth and history of prior engagement."<sup>4</sup>

The PEC's 2020 report further concluded that "a Democracy Dollar system must be accompanied by broad public engagement infrastructure-building efforts... to ensure a fertile

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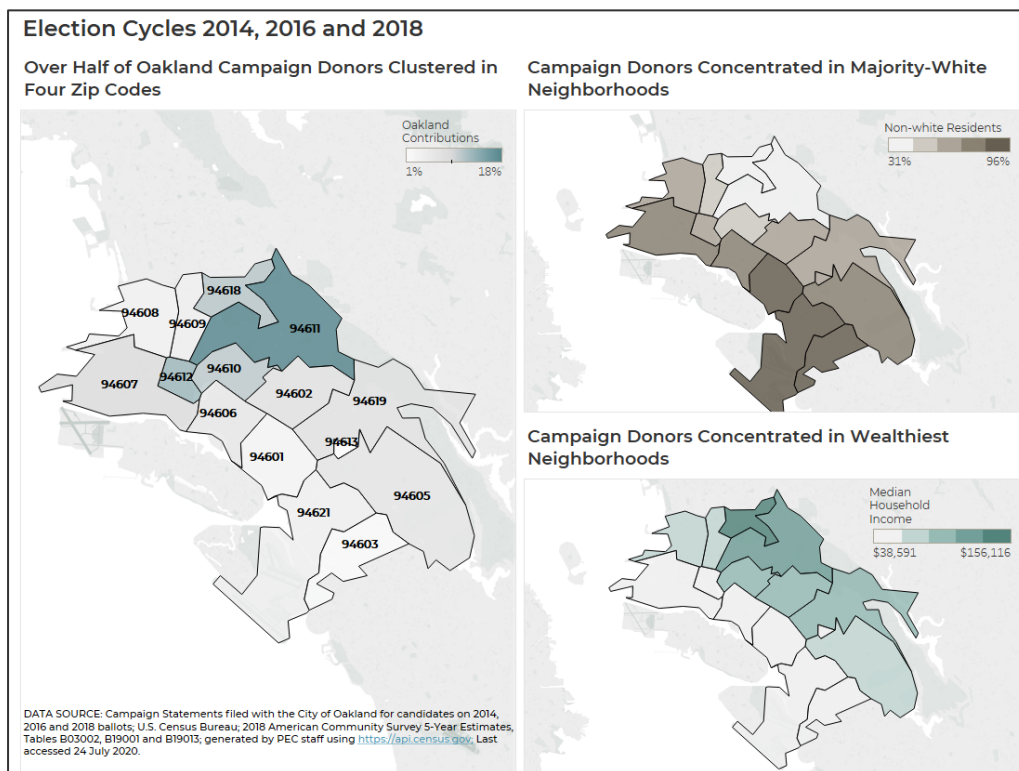
<sup>4</sup> Race for Power: How Money in Oakland Politics Creates and Perpetuates Disparities Across Income and Race. Public Ethics Commission. September 2020. Pg. 23.

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ecosystem of candidates and community leaders, connections between City liaisons and communities, effective communications and outreach, and other elements needed for successful integration of a new system of broader and more diverse participation.”<sup>5</sup>

Specifically, the Commission noted the following:

- The existing campaign finance system leaves out low-income communities and communities of color who donate and vote at lower rates than wealthier, whiter communities as evidenced by the source of contributions made to candidate campaigns far more densely clustered around neighborhoods that are disproportionately white, wealthy, and non-representative of the racial and socio-economic diversity of Oakland residents overall.<sup>6</sup>



- Further, the target of candidates’ campaign outreach and contribution solicitation efforts are prior voters and high propensity voters as well as potential campaign donors, which creates and further perpetuates these disparities since candidates, who want to win their election, are incentivized to continue to focus on engaging those most reliable donors and voters who have a record of engaging in the political process.<sup>7</sup>

<sup>5</sup> Race for Power: How Money in Oakland Politics Creates and Perpetuates Disparities Across Income and Race. Public Ethics Commission. September 2020. Pg. 23.

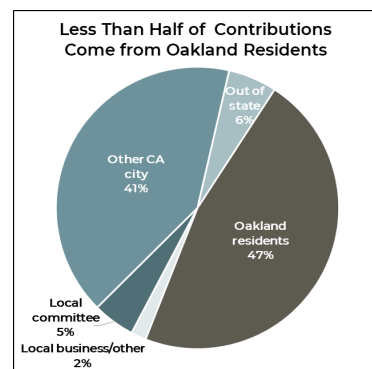
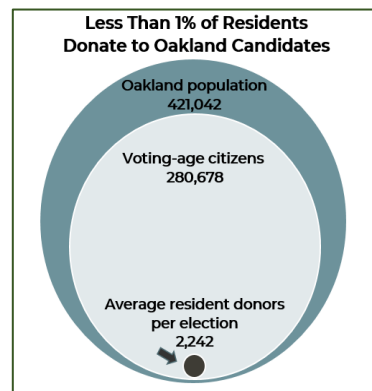
<sup>6</sup> Race for Power: How Money in Oakland Politics Creates and Perpetuates Disparities Across Income and Race. Public Ethics Commission. September 2020. Pg. 6.

<sup>7</sup> Race for Power: How Money in Oakland Politics Creates and Perpetuates Disparities Across Income and Race. Public Ethics Commission. September 2020. Pg. 4.



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- With an average of 2,242 residents contributing to Oakland candidates across the 2014, 2016, and 2018 elections, that means less than 1% of Oaklanders participate in contributing to Oakland candidates.<sup>8</sup>
- Half of all contributions from Oakland residents come from neighborhoods in just four zip codes (94611, 94610, 94618, and 94612).<sup>9</sup>
- Oaklander contributions make up less than half of all contributions made to Oakland candidates.<sup>10</sup>
- Empirical research indicates that elected officials and candidates for office are most responsive to two groups: voters and political donors, that political donors are the most influential, and that non-constituent donors have more influence on policymakers than constituent non-donors.<sup>11</sup>
- The existing LPFA program has not reduced the influence of large contributors in local elections and has not reduced the pressure faced by candidates to fundraise, nor led to an increase in the number of candidates pursuing local office.<sup>12</sup>



In sum, the PEC report found that Oakland's existing campaign finance system gives donors from outside of Oakland and Oakland residents in wealthier, whiter neighborhoods disproportionate influence in choosing elected officials and potentially shaping policy outcomes over everyone else. In a city like Oakland, where the candidate with the most funds behind them almost always wins, this means low-income residents and people of color are disproportionately missing from the political campaign decision-making process, creating a clear equity and public participation issue in a system that is supposed to share power democratically.

The proposed amendments are intended to create a new public financing system here in Oakland by dispersing a small amount of public funds in certificate form called Democracy Dollars directly to every Oakland voter rather than in lump sum to candidates. Candidates must then meet certain requirements to become a certified candidate to receive Democracy Dollars from Oaklanders, including public forums and reasonable campaign spending limits, among others. Candidates are then incentivized to seek out these small contributions that are in the hands of every Oakland voter to both raise money for their campaign and spread their campaign messages.

<sup>8</sup> Id. Pg. 1.

<sup>9</sup> Id. Pg. 6.

<sup>10</sup> Race for Power: How Money in Oakland Politics Creates and Perpetuates Disparities Across Income and Race. Public Ethics Commission. September 2020. Pg. 6.

<sup>11</sup> Id. Pg. 9, see citations within.

<sup>12</sup> Id. Pg. 4.

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This new model of equitizing campaign finance was first adopted by Seattle voters in 2015 and implemented in the City's 2017 election. As of September 2020, the following benefits had been reported from Seattle's new system:

- **Contributors Tripled** – Data from Seattle's first election cycle with vouchers in 2017 showed the number of campaign contributors tripled from the comparable election cycle for the same races in 2013, with more than 25,000 Seattle residents participating as campaign donors in 2017, three times the 8,200 resident donors in 2013.
- **New Contributors** – Roughly 84 percent of the 2017 election cycle's Seattle donors were estimated to be new donors; including about 20,900 individuals who had not contributed to city candidates in the 2015 or 2013 cycles. And 71 percent of these new donors were voucher donors.<sup>13</sup>
- **More Representative Contributors** – An academic review of Seattle's voucher program in 2018 found that “compared to cash contributors in the 2017 election, participants in the Democracy Voucher program were generally more representative of the Seattle electorate. Low and moderate-income residents comprise a substantially larger share of voucher users than cash donors. Voucher users are more likely than cash donors to come from the poorest neighborhoods in the city. Residents under 30 years old make up a larger share of voucher users than cash donors.”<sup>14</sup>
- **Earlier and More Participation in 2019** – In the first two months that vouchers were distributed by the city between February and April 2019, with all seven Seattle city council seats up for election in November 2019, more than 11,000 Seattle residents had redeemed their vouchers, which is already more individual donors participating in city campaigns than in all of 2015 before vouchers existed.<sup>15</sup> By the end of the 2019 election, 38,092 residents submitted more than 147,128 Democracy Vouchers for a total disbursement of \$2.5 million in public financing.<sup>16</sup>

The PEC's report summarized further benefits regarding Seattle's system as follows:

### **Cash in the Hands of All Voters Changes Candidate Behavior**

Candidates who ran in Seattle's first iteration of its voucher system experienced an entirely new framework for campaigning. Since every voter now had campaign “cash” to give to a campaign, all voters became the target of campaign outreach efforts. Under the new system, candidates were incentivized both to educate voters about how to use their own vouchers and to ask them to give their vouchers to support the candidate.

For example, Teresa Mosqueda, a former labor activist who is third-generation Mexican-American and the daughter of educators and social justice activists,

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<sup>13</sup> First Look: Seattle's Democracy Voucher Program, Reducing the Power of Big Money and Expanding Political Participation. Win/Win Network and Every Voice. P. 2. November 15, 2017.

<sup>14</sup> Jennifer Heerwig and Brian J. McCabe. Expanding Participation in Municipal Elections: Assessing the Impact of Seattle's Democracy Voucher Program. University of Washington, Center for Studies in Demography & Ecology. P. 1. April 3, 2018.

<sup>15</sup> Seattle's Democracy Voucher Program is Already Sparking a Lively Election Season. Margaret Morales. Sightline Institute. April 23, 2019.

<sup>16</sup> Seattle Ethics and Elections Commission. Democracy Voucher Program Biennial Report 2019. P. 5.

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ran under the new voucher system for the at-large district 8 City Council seat in 2017. She said the new system incentivized candidates to go out and talk to every voter, so that is how she focused her campaign.<sup>17</sup> “The democracy vouchers encourage candidates to spend time talking with actual residents, rather than asking wealthy donors to write large checks,” said Mosqueda about her campaign experience. “I spent my evenings and weekends in neighborhoods around Seattle talking about the issues we care about.” Mosqueda won her election to office with a 20-point lead and tipped the Seattle City Council toward a majority of people of color and a supermajority of women. “Candidates like me, who pledged to use democracy vouchers and refuse donations over \$250, were more connected to the city’s diverse population,” she added. As a result, she said, she spent her “first eight months in office bringing forward legislation that comes directly from community — from domestic workers protections to affordable housing solutions.”<sup>18</sup>

The new system also can change behavior for candidates who do not participate in the voucher program but who run against candidates who do. For example, one Seattle nonprofit leader shared his observation that Jenny Durkin, the winning mayoral candidate in the 2017 election who did not use the voucher system to fund her campaign opted to join in candidate forums that started to pop up in communities that previously were not the target of campaign efforts, simply because the new voucher availability in those communities drew the voucher system candidates there and she needed to stay competitive by being in the room with the other candidates. Durkin won, and she later hired staff into her Mayoral administration that she met in those new communities which, without the voucher system in place pushing the other candidates to reach out to those communities, she would never have encountered.<sup>19</sup>

After analyzing other alternative public financing programs, the PEC report concluded that a system of providing Democracy dollars (like the Seattle model) was the best approach for Oakland since it provides public funds to all City voters in a manner that is intended to provide equity across the board and incentivizes candidates to engage across all demographics regardless of wealth and history of prior engagement. The proposed legislation implements this ideal approach.

The proposed legislation further includes a significant outreach component, requiring the PEC to initiate an outreach program to ensure that all voters are aware of the Democracy Dollars Program. While this is important for the program, additional public engagement infrastructure-building efforts, will be critical to ensure successful integration of the new system of broader and more diverse participation, as the PEC discussed in its report:

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<sup>17</sup> Teresa Mosqueda. Seattle City Councilmember. Speaking at the Bay Area Political Equality Collaborative Convening. January 23, 2018.

<sup>18</sup> Teresa Mosqueda. *I'm Still Paying Off My Student Loans — Here's How I Funded My Campaign (And Won)*. Bustle.com, August 14, 2018.

<sup>19</sup> Aaron Robertson. Managing Director, Policy and Civic Engagement. Seattle Foundation. Interview August 17, 2018.

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While the [Seattle Democracy Dollars] system was significant as the first of its kind in the country, also significant is the level of community outreach specifically intended to engage communities of color into the campaign finance process, conducted parallel to the implementation of the voucher system. These civic engagement programs – some woven into the voucher program and others separate from it – provided a strong network of infrastructure that helped bridge different communities in a way that enhanced success of the program and other organizations with shared civic participation goals.<sup>20</sup>

Overall, the proposed legislation is worthy of the Commission’s general support as an innovative model for providing public financing in a manner that distributes power out to all Oakland voters in the form of \$100 in Democracy Dollars as a means of ensuring candidate outreach across demographics and expanding citizen participation in the campaign process. Given the size, scope, and complexity of the proposal, PEC staff will need to engage further with the authors on the details of the legislation following the PEC’s initial review, including continuing to work with the authors and City Councilmembers as it proceeds through the legislative process.

### **RECOMMENDATION**

Commission staff recommends the Commission support the proposal, create a PEC subcommittee for PEC staff to consult with to continue to analyze program details and identify technical or substantive amendments, and direct PEC staff to work with the author on amendments as needed and to bring any significant changes back to the Commission for review prior to final adoption by City Council.

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<sup>20</sup> Race for Power: How Money in Oakland Politics Creates and Perpetuates Disparities Across Income and Race. Public Ethics Commission. September 2020. Pg. 17. See also Pg. 18 for discussion of non-profit and county-level organizations doing parallel work to expand participation.