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TO: Public Ethics Commission
FROM: Jelani Killings, Ethics Analyst
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DATE: July 26, 2022
RE: 2022 LPF Program Implementation

Summary

The PEC administers the Limited Public Financing (LPF) Act, which provides public funds for City Council district candidates running for office in Oakland. Commission staff is gearing up for program implementation for the 2022 election. This memorandum provides an overview of the LPF program and plan for the 2022 election.

Background

The Limited Public Financing Act was adopted in 1999 to provide limited monetary assistance to candidates for local elective office for the purpose of helping ensure that all individuals have a fair and equal opportunity to participate in the elective and governmental process. The LPF Act was amended in 2010 to set specific parameters around who may participate, how funds may be used, and how the funds may be dispersed. The program now is a reimbursement system for city council district candidates only.

The Commission is responsible for administering the LPF program, including developing procedures, publishing reimbursement application forms, ensuring that candidates meet eligibility criteria, and issuing payments to candidates for qualified expenditures.

The process for applying for public funds begins after the City Clerk certifies the names of all candidates to appear on the ballot, shortly after the close of nominations on August 12, 2022, which is 88 days before the November election. No later than seven days after the City Clerk certifies the names of candidates, the Commission must determine at a public meeting whether the amount of money in the Election Campaign Fund is adequate to provide the maximum amount of funds to potentially eligible candidates, and if not, the Commission will disburse available funds on a pro rata or other equitable basis.

Funds Available

Currently, there is approximately \$177,000 allocated in the Election Campaign Fund for use for the Limited Public Financing Program for the 2022 election.

There are three district seats open in the November 2022 election: District 2, District 4, and District 6. As of the date of this memorandum, there are nine candidates who have filed campaign forms as candidates for office in one of these three districts.

Under the LPF Act, a candidate may receive LPF funds in an amount up to 30 percent of the voluntary expenditure ceiling (spending limit) for that race; however, the amount in the Election Campaign Fund ultimately dictates how much money will be available to each candidate. The Commission will need to determine whether the amount of money in the Election Campaign Fund is adequate to provide the maximum amount of funds to all potentially eligible candidates, and if not, the Commission will disburse available funds on a pro rata or other equitable basis. The legally required meeting for the Commission to make that determination will be scheduled to occur sometime in mid- to late-August, depending on the date the City Clerk announces candidate certifications.

The table below summarizes the potential breakdown of the number of candidates expected to run in the 2022 election, the maximum amount allowable per candidate under the law, and the estimated amount of money that will likely be available for each candidate based on the amount of money in the Fund, assuming all candidates are eligible and opt into the program.

City Council District	Voluntary Expenditure Ceiling	Maximum Potential LPFA Amount for Each Candidate (if fully funded)	Number of Candidates Currently Campaigning	Estimated Amount Available to Each Candidate (if all participate)
2	\$176,000	\$52,800	1	\$19,667
4	\$176,000	\$52,800	3	
6	\$184,000	\$55,200	5	

Below is a projected timeline of events for the LPF program:

Process	Details	Date
Nomination Period Begins	The Nomination Period opens 113 days before an election.	Monday, July 18, 2022
Nomination Period Ends	The Nomination Period closes 88 days before the election.	Friday, August 12, 2022
Nomination Period Extended	If the incumbent does not file for re-election, then the nomination period is extended for five days.	Wednesday, August 17, 2022
City Clerk Certification	The Office of the City Clerk certifies the names of all candidates to appear on the ballot (unless nomination period extended).	Usually within a few days of the end of Nomination Period
Public Ethics Commission Determines Disbursement Plan	The Commission determines whether the Election Campaign Fund will be adequate to provide the maximum amount of funds to potentially eligible candidates, and the Commission decides on a process for disbursement of available funds on a pro rata or other equitable basis.	Not to exceed seven days after City Clerk certification (a special PEC meeting must be set)

Potential Funds Redistribution by the Commission	The Commission may at any time revise the disbursement plan consistent with LPFA.	October 12, 2022, PEC Meeting (if needed)
Election Day	The day before the election is the last day to submit claims for reimbursement to the Commission.	Tuesday, November 8, 2022

This memorandum is for informational purposes in preparation for the Commission’s next step of determining the allocation of campaign funds once the number of candidates is confirmed. That determination will be made at a special meeting, exact date to be determined, in mid-August. No Commission action is needed at this time.