

Detecting and Preventing “Pay-to-Play” Corruption in Local Elections

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Agenda

- Problem Statement
- Background
- Research Methodology
- Findings & Recommendations
 - Transparency
 - Awareness
 - Implementation
- Next Steps & Conclusion

Problem Statement

What is “pay-to-play”?

Key barriers to preventing it in local elections:

- Transparency
- Awareness
- Implementation

Background



Public Ethics
Commission

CITY OF
OAKLAND

Oakland Campaign
Reform Act (OCRA)

Background



Levine Act + SB 1439

Research Methods

A newly developing landscape

11 commissions

4 interviews

2 statewide agencies



Mixed Methods

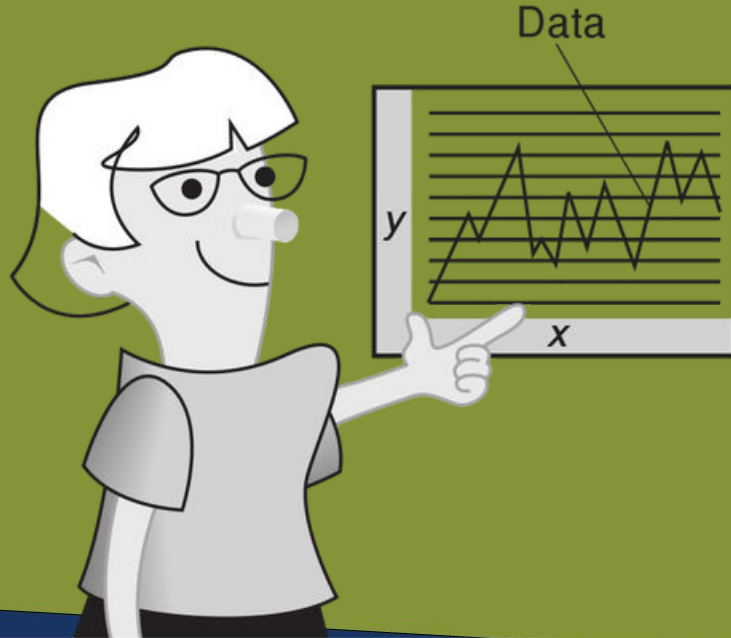
...the shadowy world of
Pay-to-Play

“...Everybody hates us!”

- anonymous PEC staffer



Transparency



Data is
EVERYTHING!

Transparency - Recommendations

Build Collectively...

Network

Network

Network



Transparency - Recommendation



Claim that data!

PEC managed database of
regulated agent disclosure.

Transparency - Recommendation

Talk to the people!

Public Outreach



Awareness - Findings

- Transparency
- Awareness
 - Legal mandates allow for consistent awareness
- Implementation



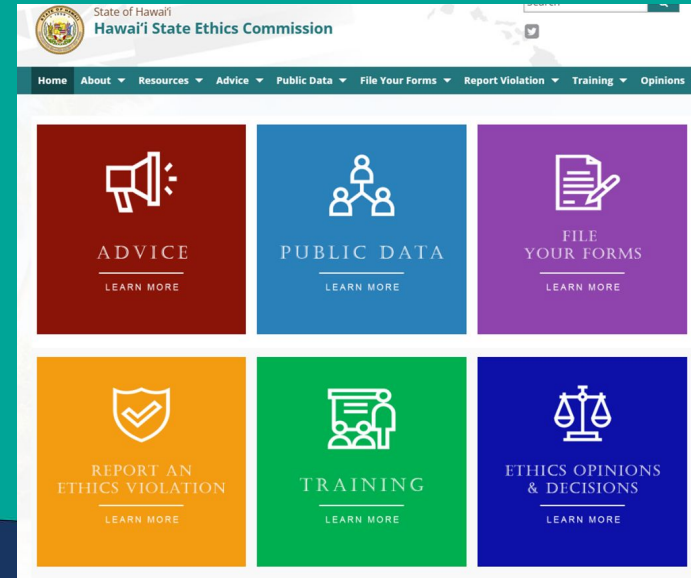
Awareness - Findings

Transparency

Awareness

Implementation

- Education teams broaden awareness with active, relevant material



Awareness - Findings

Transparency

Awareness

Implementation

- Engaging and entertaining ethics trainings encourage engagement



The Advice Line ft. Attorney of the Day

NYC COIB
1.3K views • 4 years ago



Miss Use of Position

NYC COIB
1.3K views • 2 years ago



Public Service Announcement: The Advice...

NYC COIB
1.1K views • 5 years ago



Unboxing: The COIB Plain Language Guide

NYC COIB
1.3K views • 4 years ago

Awareness - Recommendation

Transparency

Awareness

Implementation

- Enhancing online materials to increase accessibility and clarity



Awareness - Recommendation

Transparency

- Mandate contribution certification from campaigns

Awareness

Implementation



Implementation - Findings

Transparency

Awareness

Implementation

- Oakland's campaign contribution restriction amounts fall within the median range.
- Auditing, whether thoroughly or randomly, is an effective deterrent against "pay to play" corruption.
- Oakland's Public Ethics Commission is comparatively understaffed.

Implementation - Findings

Transparency

Awareness

Implementation

- Oakland's campaign contribution restriction amounts fall within the median range.



*Oakland allows candidates to receive larger contributions if they accept a spending limit

†Some cities have different limits for typically high- or low-budget campaigns

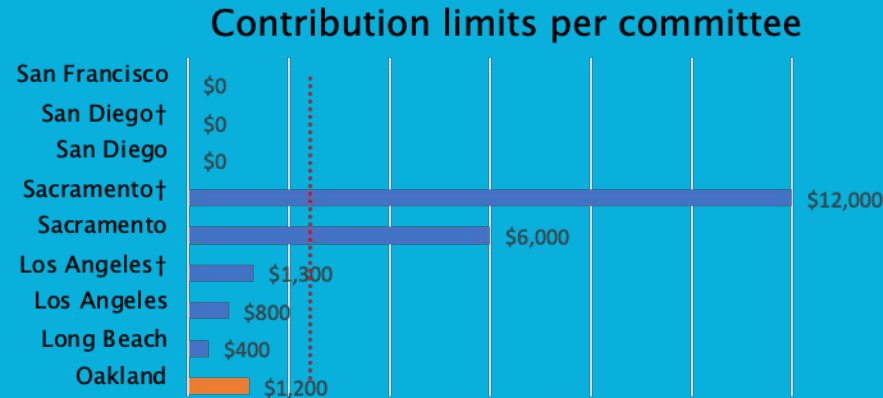
Implementation - Findings

Transparency

Awareness

Implementation

- Oakland's campaign contribution restriction amounts fall within the median range.



*Oakland allows candidates to receive larger contributions if they accept a spending limit

†Some cities have different limits for typically high- or low-budget campaigns

Implementation - Findings

Transparency

Awareness

Implementation

- Oakland's campaign contribution restriction amounts fall within the median range.

Strict with contractors

Relaxed with developers

Average with lobbyists

Implementation - Findings

Transparency

Awareness

Implementation

- Auditing, whether thoroughly or randomly, is an effective deterrent against “pay to play” corruption.

Audit all campaigns	Audit random campaigns	No formal auditing
<ul style="list-style-type: none">• Los Angeles• San Francisco	<ul style="list-style-type: none">• FPPC• San Diego	<ul style="list-style-type: none">• Oakland• Long Beach• Sacramento

Implementation - Findings

Transparency
Awareness
Implementation

- Oakland's Public Ethics Commission is comparatively understaffed.

	Min	Max	Oakland
Administration	1	8	1
Analyst	0	2	2
Education	0	12	1
Enforcement	1	10	1
Auditing	0	7	0

Implementation - Recommendation

Transparency

Awareness

Implementation

- Review legislative options to strengthen the Public Ethics Commission.
 - Law-mandated periodic audit
 - Charter-mandated staffing/funding
 - Public input on law coverage

Next Steps & Conclusion

Other forms of “pay-to-play” corruption

Behested payments

Independent expenditures

Gift giving

Questions?

Detecting and Preventing “Pay-to-Play” Corruption in Local Elections

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David Tristan, Executive Director and Heather Holt, Deputy Executive Director, Los Angeles City Ethics Commission

Sharon Spivak, Executive Director, City of San Diego Ethics Commission

Michael Canning, Acting Policy and Legislative Affairs Manager, San Francisco Ethics Commission

Sean McMorris, Transparency, Ethics & Accountability Program Manager, California Common Cause

Dave Bainbridge, General Counsel for the Fair Political Practices Committee (FPPC)

Whitney Barozoto, former Executive Director of Oakland Public Ethics Commission

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Executive Summary

This report will focus on the role of the Oakland Public Ethics Commission (PEC) in preventing "pay-to-play" influence in local elections and government decisions. It is a culmination of mixed methods research conducted in partnership with a research team from the Goldman School's Master's in Public Policy program, including interviews with other ethics commissions, document analysis, and regular check-ins with the Oakland PEC. This analysis identifies effective best practices and policies that could help Oakland overcome shortages in staffing and budget with efficient, effective, proven tactics employed by peers in the field.

The principal policy outlining the regulatory parameters of financial influence in Oakland elections, intended to prohibit "pay-to-play" interference, is the Oakland Campaign Reform Act (OCRA). The research team identified three areas that could help the enforcement of OCRA and enhance protections against undue financial influence: transparency in data, awareness from regulated parties, and barriers to implementation and enforcement.

Transparency

"[Transparency and publicly-accessible data are] important since enforcement agencies will not catch a lot of violations unless the public or press reports on them. Transparency also keeps the filing parties honest because publicly-accessible data increases the likelihood of violations being exposed."

Sean McMorris, Transparency, Ethics & Accountability Program Manager, California Common Cause

Through public engagement and access to clear and comprehensive data, transparency increases oversight and accountability, making it easier for the public and the press to provide oversight in partnership with ethics commissions. Significant public engagement and access to data can support effective regulation, facilitate public engagement in local politics, and elicit the political will to make policy changes.¹

Recommendations

- **Propose creating a publicly-accessible, PEC-regulated database for mandated disclosure by contractors and other regulated agents.**
- **Begin a public engagement campaign to determine priorities for changes and reforms.**
- **Develop a network of ethics commissions to learn collectively, share pathways to success, and identify obstacles and harms.**

¹ Payne, Marsco, Richardson. (2021). *Top Ten Transparency Upgrades for Ethics Commissions*. Campaign Legal Center.
<https://campaignlegal.org/document/top-ten-enforcement-upgrades-ethics-commissions>

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Policy Awareness

For effective regulation, a widespread understanding of policy restrictions and changes by those subject to their limits is essential. Regulated parties must understand the law to fulfill their reporting and disclosure obligations.

Recommendations

- **Require contribution certification from both donors and recipient campaigns.**
- **Enhance online materials with policy updates, online ethics advice, and case studies to increase accessibility and clarity of training materials.**

Implementation

Effective implementation of the ideals behind OCRA, SB 1439, and other ethics laws requires creativity. Many other jurisdictions regulate "pay-to-play" behaviors differently than Oakland does. The diversity of implementation styles leaves many lessons for effectively eliminating "pay-to-play" corruption in local elections.

Recommendations

- **Conduct public outreach to understand which regulations the community desires.** Oakland's campaign contribution restrictions are relatively average. While Oakland law is stricter on contractors, other cities often regulate developers and lobbyists more strictly regarding "pay-to-play" and campaign finance. Outreach programs can identify whether the public believes existing restrictions are sufficient.
- **Consider mandating an annual random audit of campaigns to deter OCRA violations.** Whether thoroughly or randomly, auditing is an effective deterrent against "pay-to-play" corruption. Oakland's Public Ethics Commission is comparatively understaffed, while other commissions have employees dedicated to auditing, education, data management, and more. Random audits can be conducted with minimal staffing and are effective deterrents to violating campaign finance laws.

Problem Statement

The Oakland Campaign Reform Act (OCRA) contains campaign contribution and expenditure regulations. Among these regulations are those aiming to prevent "pay-to-play" corruption, or its appearance, in local elections. Since its passage, enforcing OCRA has been challenging due to a lack of transparency in data, low policy awareness from regulated bodies, and barriers to implementation and enforcement.

Transparency

While Oakland has a public-facing data source that tracks campaign contributions,² no publicly-available data source identifies contractors and bidders in negotiation with Oakland. OCRA requires contractors to submit a Schedule O Form as a part of their initial contract bid, acknowledging that they understand OCRA campaign contribution limits. None of these interactions, nor any subsequent data, are publicly accessible or consistently shared with the Oakland PEC, which makes monitoring and enforcement burdensome. This means the PEC rarely receives the essential data needed to operate effectively, let alone the public.

Policy Awareness

Another challenge is that contractors and officials may lack awareness of regulatory policy or urgency to comply. Regulations vary between local jurisdictions and state law, and these discrepancies create plausible deniability for contractors and campaigns breaking the law, as they may not know they are accountable. This problem is compounded by the lack of publicly-accessible data identifying regulated agents and their financial contributions. Often, contractors do not self-identify through the Schedule O form, creating a gap in the knowledge needed to enforce these laws effectively and limiting the information the PEC can provide to the public.

Implementation

Finally, SB 1439 is inconsistent with local laws, likely requiring different information to enforce effectively. This inconsistency introduces a lack of clarity on implementing SB 1439. There are differences in scope and timeframe between local laws and this new state-wide mandate that are difficult to plan for after a significant period of understaffing and an inadequate budget. Identifying how SB 1439 may complement local laws and turning potential conflicts into strategy moving forward will help the Oakland PEC make a seamless transition to implementation.

Introduction

The Oakland Public Ethics Commission (PEC) is an independent commission charged with ensuring fair and unbiased government practice. This report will focus on their role in preventing

² *City of Oakland—Electronic Filing System*. (n.d.). Retrieved April 29, 2023, from <https://public.netfile.com/pub2/Default.aspx?aid=COAK>

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"pay-to-play" influence in local elections and government decisions. To that end, the Commission is responsible for enforcing three main sets of local anti-corruption ordinances: the Oakland Campaign Reform Act (OCRA), the Government Ethics Act (GEA), and the Lobbyist Registration Act (LRA). With the passage of Measure W, the Oakland Fair Elections Act, the Public Ethics Commission (PEC or Commission) is planning for a transition of growth in staffing, structure, and responsibilities as administrator of a redesigned public financing program.

These laws attempt to prevent corruption or its appearance in contracting decisions by disallowing those seeking to do business with the government from influencing decision-makers in their favor by contributing to their campaigns, what is called "pay-to-play." This includes OCRA's "contractor ban," which prohibits campaign contributions from any agent negotiating a contract with the City of Oakland or Oakland Unified School District. Regulations also extend to public officials and recipients of campaign contributions, who shall not be permitted "to make, participate in making or in any way attempt to use their official position to influence a governmental decision in which the contributor has a financial interest" [OMC §3.12.330].

Local laws support and are buoyed by disclosure and reporting requirements mandated in the California Political Reform Act,³ a state-wide mandate enforced by the Fair Political Practices Committee (FPPC). On March 20, staff published an advisory regarding a new statewide law aimed at further combatting "pay-to-play" politics.⁴ SB 1439 imposes new obligations upon Oakland elected officials, including the possibility of fines for noncompliance.⁵

Background

As a leader in social justice and civic involvement, Oakland is rich in dialogue and action regarding authentic democracy. As part of this, the City tries to ensure the campaign process provides Oaklanders with meaningful opportunities to participate in selecting its City leadership. However, money is often a prerequisite for winning office; local candidates with the most financial support typically win. Many candidates must rely on donors to provide the financial resources to run an effective campaign. This reliance on money means winners are selected - and policy may be shaped - by those who can contribute to political campaigns.

Campaign data shows less than half of campaign funds come from Oakland residents. Only a tiny fraction of Oaklanders contribute to candidates for political office, and that fraction is more

³ *Local Candidates, Superior Court Judges, Their Controlled Committees, and Primarily Formed Committees for Local Candidates*. (2020). Fair Political Practices Commission, State of California. https://www.fppc.ca.gov/content/dam/fppc/NS-Documents/TAD/Campaign%20Manuals/Manual_2/Final_Manual_2_Entire_Manual.pdf

⁴ *Public Ethics Commission Regular Meeting Agenda*. (2023). City of Oakland Public Ethics Commission. <https://cao-94612.s3.amazonaws.com/documents/Complete-Merged-Agenda-4-12-23.pdf>

⁵ Spivak, S. (2022). *New Law Extends Recusal Requirements and Prohibits Certain Contributions for Local Elected Officials*. San Diego Ethics Commission. https://www.sandiego.gov/sites/default/files/221114_press.pdf

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concentrated in the whitest and wealthiest neighborhoods within the City. This system results in clear inequities in participation for people of color and low-income communities.⁶

Oakland Campaign Reform Act (OCRA)⁷

After co-hosting a public forum on Money in Politics in October 2015, the Commission's Campaign Finance subcommittee drafted proposed amendments to the Oakland Campaign Reform Act (OCRA) as part of a first round of amendments intended to strengthen the Commission's enforcement authority, clarify language, and align the ordinance with the revised City Charter and the California Political Reform Act. In October 2016, the Commission approved the subcommittee's proposed amendments, which passed the City Council unanimously in November 2016.⁸

Since then, OCRA has contained an extensive prohibition on contributions by individuals negotiating contracts with the City of Oakland or Oakland Unified School District. The contractor ban applies to any contract that requires City Council or School Board approval. It prohibits contractors from contributing to candidates for local office during contract negotiations and for 180 days after the completion or termination of negotiations. OCRA requires all potential and current contractors to execute a declaration acknowledging the prohibition on contractor contributions. It also requires that the City Clerk make a list of current contractors available for public inspection.

Current processes do not provide the transparency necessary to proactively identify all the individuals affected by the ban and ensure compliance. This makes the detection of potential violations difficult and time-consuming. It also means that elected officials and candidates cannot easily identify prohibited contributors, increasing the chance of violating the law by inadvertently accepting their contributions.

SB 1439

On September 29, 2022, Governor Newsom signed SB 1439 (Glazer), a bill that extends the Levine Act's protections against so-called "pay-to-play" decision-making to local elected officials and those appearing before them.⁹ As a result, jurisdictions that did not previously restrict contributions from contractors and developers toward elected officials will now be subject to new restrictions.

⁶ *Race for Power: How Money in Oakland Politics Creates and Perpetuates Disparities Across Income and Race*. (2020). Oakland Public Ethics Commission.

<https://cao-94612.s3.amazonaws.com/documents/Report-Draft-Race-for-Power-9-2-20-FINAL.pdf>

⁷ *Oakland Campaign Reform Act (OCRA)*. (n.d.). City of Oakland. Retrieved April 29, 2023, from <https://www.oaklandca.gov/resources/oakland-campaign-reform-act-pec>

⁸ *Annual Report*. (2016). Oakland Public Ethics Commission.

<https://cao-94612.s3.amazonaws.com/documents/oak063643.pdf>

⁹ *UPDATE: Local California Elected Officials Prohibited from Voting On Campaign Contributors' Projects*. (n.d.). Manatt. Retrieved April 29, 2023, from <https://manatt.com/insights/newsletters/california-government-update/local-california-elected-officials-prohibited-from>

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The bill will bar local elected officials and candidates from accepting or soliciting contributions over \$250 from anyone affiliated with a group with a pending license, permit, or contract until 12 months after a final decision. In addition to the contribution restriction, contractors going before a local agency have to disclose during the proceeding if they made contributions over \$250 within the past 12 months. Elected and appointed officials in local government must also disclose such contributions.

An official may learn during proceedings that they received prohibited contributions from a party or participant with a financial interest in a decision. In this case, they may either recuse themselves from the decision or return the contribution within 30 days. Similarly, during proceedings and for 12 months after, officials must refuse contributions from such parties or return them within 14 days of accepting, soliciting, or directing the contribution, whichever comes latest.¹⁰

SB 1439 regulates those seeking licenses, permits, and entitlements for use, which largely broadens the regulated class in Oakland, but OCRA still restricts those seeking contracts with the city more tightly. By comparison, San Francisco and Los Angeles already prohibit contributions from these classes, so the \$250 limit does not apply in these cities.

[Table 1](#) provides a quick comparison of the essential differences between OCRA and SB 1439.

¹⁰ *Local Governing Board Members Will Now Have Conflict of Interest in Campaign Donors Appearing Before Their Agencies*. (n.d.). BB&K Law. Retrieved April 16, 2023, from <https://www.bbklaw.com/news-events/insights/2022/legal-alerts/10/local-governing-board-members>

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Table 1. OCRA vs. Levine Act quick comparison

	Oakland Law (e.g. OCRA)¹¹	State Law (e.g. Levine Act)¹²
Standard campaign contribution restrictions	<ul style="list-style-type: none"> - Individuals up to \$600 - Organizations up to \$1,200 	Individuals and organizations both up to \$5,500
Regulated bodies	<ul style="list-style-type: none"> - Candidates and Elected officials - Contractors “negotiating certain contracts with the City of Oakland or Oakland Unified School District Board,” and for “180 days after the completion or termination of negotiations on the contract.” 	<ul style="list-style-type: none"> - Candidates and Elected officials - Contractors and developers with the city while decisions are pending on a “license, permit, or other entitlement for use,” and for 12 months after a decision is made.¹³
Process for determination of violation	<ul style="list-style-type: none"> - Informal discretionary auditing - Public complaint - Screening for compliance under state law 	<ul style="list-style-type: none"> - Formal auditing, random and discretionary - Whistleblowing/public complaint
Enforcement	<ul style="list-style-type: none"> - Can refer criminal violations to courts or FPPC - Penalties and fines from the Commission may not “exceed \$5,000 per violation or three times the amount of the unlawful contribution or expenditure, whichever is greater.” 	<ul style="list-style-type: none"> - A criminal violation is a misdemeanor. - Penalties up to the “greater of ten thousand dollars (\$10,000) or three times the amount the person failed to report properly or unlawfully contributed.”
Path to reconciliation	<ul style="list-style-type: none"> - Candidate must recuse themselves from the case. 	<ul style="list-style-type: none"> - If in violation, candidate can return donation within 30 days (14 days if proceedings are ongoing) from when the officer learns about the contribution and relevant proceeding. - Candidate may also recuse themselves from negotiations, if

¹¹ *Oakland Campaign Reform Act Guide 2022*. (2022). Oakland Public Ethics Commission.

<https://cao-94612.s3.amazonaws.com/documents/OCRA-Guide-2022-FINAL-REVISED-4-20-22.pdf>

¹² 2022 Political Reform Act. (2022). *Fair Political Practices Commission, State of California*.

https://www.fppc.ca.gov/content/dam/fppc/NS-Documents/LegalDiv/The%20Political%20Reform%20Act/PriorYearVersions/2023/2023_Act.pdf

¹³ SB 1439, 84308 Campaign contributions: Agency officers. Retrieved April 28, 2023, from

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220SB1439

		possible.
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Methods

This report aims to identify how best to detect and prevent "pay-to-play" interference, or its appearance, in Oakland's local elections. In partnership with the Oakland Public Ethics Commission, the research team leveraged mixed methods and qualitative approaches, conducting in-depth interviews and document analyses to identify best practices. This process was iterative, as the research, meetings with staff from Oakland PEC, and analysis refined and informed the next steps.

The team identified four areas of inquiry that would guide research and analysis to help the Oakland PEC increase its ability to eliminate "pay-to-play" election interference:

1. How do Oakland's local policies regulating campaign contributions compare with laws in other cities?
2. What changes to local contracting and/or campaign finance regulation may help address "pay-to-play" influence more effectively in Oakland's local elections and comply with SB 1439?
3. How can the City of Oakland ensure that an easily accessible, accurate list of current contractors is available for inspection by the public, as well as key stakeholders such as candidates and Commission staff?
4. How can the City of Oakland raise awareness among agents subject to campaign contribution regulations and effectively ensure that persons prohibited are aware of the law?

The following objectives were set to answer these questions:

1. Determine how the City of Oakland currently tracks (or does not track) City contractors, as defined in OCRA,
2. Identify best practices to produce the transparency, policy awareness, and implementation needed to effectively realize the ideals behind OCRA and SB 1439,
3. Identify the next steps and/or a strategic plan for developing a publicly accessible database maintained by the Oakland Public Ethics Commission where regulated class disclosures and public financial records are centralized, and
4. Provide recommendations based on the research and analysis designed to answer Oakland's questions.

Background Research

The project's first phase was to conduct background research on the current landscape of commissions and agencies similar to Oakland's PEC. The research team included statewide public ethics agencies and interest groups to provide a broad perspective. The full list of organizations contacted is below.

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Ethics Agencies

- City and County of San Francisco Ethics Commission*
- City of Berkeley Fair Campaign Practices Commission
- City of Long Beach Ethics Commission[†]
- City of San Diego Ethics Commission[†]
- Fair Political Practices Commission*
- Los Angeles City Ethics Commission*
- Orange County Ethics Commission[†]
- Sacramento Ethics Commission
- San Jose Board of Fair Campaign and Political Practices

Interest Groups

- Common Cause*

**Conducted oral interview*

[†]Provided written answers

The team developed an interview protocol based on background research on the Oakland PEC's current policies, practices, enforcement and reports. It was expanded based on common themes picked up in early interviews. The final protocol can be found in [Appendix C](#).

Interviews were conducted over Zoom or in writing and are confidential, aside from informing analysis. Zoom interviews were audio-recorded and transcribed using otter.ai. The team identified recurring themes and patterns in the data through thematic analysis. The coding process began with open coding, which involved identifying preliminary themes and concepts in the data.

The team then leveraged selective coding, analyzing the most significant themes and their relationships. The team developed a more comprehensive understanding of the phenomenon under investigation by identifying overarching patterns. Ultimately, the codes corresponded to the following themes:

- Unique aspects or origin story of agency
- Patterns of corruption and violation
- Role of the public and government transparency
- Operation and implementation
- Enforcement
- Aspirations for the future
- Obstacles and setbacks
- Successes
- Data
- Independent expenditures
- Matters to research or look into further
- Examples
- Policy awareness and education

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- Unintended consequences
- Pushback
- Scope of regulated class and timeframe
- Other crucial points

The team adopted several strategies to ensure rigor and trustworthiness in the analysis. The team triangulated results by analyzing data from multiple sources, including interviews with local agencies, state agencies, and document analysis. Through the iterative process in the analysis, the team continuously revisited the data to ensure interpretations were grounded.

Findings and Recommendations

Findings have been organized by the three key problems identified in the problem statement: a lack of transparency in data, low policy awareness from regulated bodies, and barriers to implementation and enforcement. For each problem, the team attempts to offer insights and themes pulled from the data and provide some recommendations for solving them. This survey of California's "pay-to-play" prevention regulation will provide insight into what works well for others and might work for Oakland.

Transparency

Transparency is a founding principle at the core of ethics commissions throughout California. Ethics commissions are the “watchdogs for the public interest,” ensuring compliance with policy and facilitating public access to vital information about how their local government operates.¹⁴ The Oakland PEC states, in their guiding principles,

“Our objective is to make sure Oakland public officials and government decision-making processes operate in a fair and unbiased manner, to promote transparency in Oakland government, and to promote public trust in our local political system.”¹⁵

This objective is a theme raised time and again in commission publications, and detailed explicitly their 2014 report, *Toward Collaborative Transparency*,

“Transparency, and particularly transparency in Oakland, is one of the most challenging government issues to define, adopt, and practice. This is because government transparency relies on various elements: willing government leaders, supportive technology, appropriate legal framework and guidance (state and local), established city employee capacity and culture, and an informed and engaged public and press... At its most basic level, transparency is about trust.”
(pp. 29-30)

¹⁴ Payne, K., Marsco, D., & Richardson, V. (2021, December 6). Top 10 transparency upgrades for Ethics Commissions. Campaign Legal Center. Retrieved March 1, 2023, from <https://campaignlegal.org/document/top-10-transparency-upgrades-ethics-commissions>

¹⁵ Public Ethics Commission. City of Oakland Public Ethics Commission. (n.d.). Retrieved March 1, 2023, from <https://www.oaklandca.gov/boards-commissions/public-ethics-commission>

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Transparency allows for collaborative growth among commissions

There is an inherent tension in the role of ethics commissions as an enforcement agency that must seek resources from the public officials they regulate. These government entities are often responsible for determining their budget, among other things, and can influence commission operations with narrow or inadequate funding, which means that commissions are often underfunded and understaffed.¹⁶

Commissioners and staff can be uniquely isolated in their roles. They are independent government agents representing the public's interest, so they must carefully avoid any appearances of influence from or favor to the regulated community.¹⁷ There is often the perception that they function exclusively to enforce penalties for wrongdoing leading to a difficult dynamic to navigate with the regulated class. As one interviewee said, "Everybody hates us!"

The research team found a desire among commission staff and representatives from Common Cause and the FPPC for increased engagement and insight into the operations, policies, and development happening with their professional peers. Whitney Barazoto, Oakland PEC's former Executive Director, speaks to how information from other commissions was vital in the early days,

"...in terms of the laws and the enforcement, we had nothing. I was trying to staff it up and to grow it, so I was looking constantly at the other Commissions and mostly LA, San Francisco, and San Diego."

Sean McMorris, Transparency, Ethics & Accountability Program Manager for Common Cause, emphasized the value of shared information between commissions and statewide organizations like the FPPC. Common Cause California has worked extensively to support the creation of ethics commissions throughout the state. In his interview, McMorris emphasized how valuable examples from other commissions' operations and development were in that process and beyond,

"We get called by different Commissions to weigh in on certain matters; it would really be nice to have kind of a centralized place where people could keep documents or pick each other's brains or have best practices."

One way this need is currently filled is through reports that list good policies or practices among ethics commissions, such as the Campaign Legal Center's *Top 10 Enforcement Upgrades for Ethics Commissions* and *Top 10 Transparency Upgrades for Ethics Commissions*.¹⁸

¹⁶ Payne, K., Marsco, D., & Richardson, V. (2021, December 6). Top 10 transparency upgrades for Ethics Commissions. Campaign Legal Center. Retrieved March 1, 2023, from <https://campaignlegal.org/document/top-10-transparency-upgrades-ethics-commissions>

¹⁷ Principles for designing an Independent Ethics Commission. Campaign Legal Center. (2018, May 17). Retrieved March 1, 2023, from <https://campaignlegal.org/document/principles-designing-independent-ethics-commission>

¹⁸ Payne, K., Marsco, D., Caputo, D., & Richardson, V. (2022, December 1). *Top ten enforcement upgrades for ethics commissions*. Campaign Legal Center. Retrieved March 1, 2023, from <https://campaignlegal.org/document/top-ten-enforcement-upgrades-ethics-commissions>

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Transparent data allows the public to augment commission supervision

Ironically, the inadequate funding and staff shortages (raised by many of the commissions) led the Los Angeles City Ethics Commission to develop what was, in the early 90s, the only in-house electronic filing system for campaign finance regulation. With a centralized, navigable database of public financial and disclosure data, the public has been able to monitor information beyond the capacity of regulators. Public engagement and data access have been vital for resource-limited commissions unable to obtain sufficient support from local government.¹⁹

Los Angeles emphasized that their need for increased capacity and support led them to establish their in-house system, a process they figured out along the way with little to no previous experience building such a database.

“...it was really a survival mechanism in terms of the limited resources we had; what can we do to make the work less burdensome? I can still vividly remember sitting at my desk and saying, Why am I entering all this information in an internal database that nobody's ever going to come downtown to see...? How do we make this easier for the public to access it? ...we created our own electronic filing system for the campaign finance program. We created our own electronic filing system for the lobbying program, ... we created our own filing and database for developers and contractors. Since then, it has been a holistic approach; creating laws that address pay-to-play public trust issues, but also bolstering them with disclosure and public access to data, preventing the perception from the public that money's having an influence on making this information available.”

Sean McMorris emphasized how public engagement and access to clear and comprehensive data serves as an essential resource even for the FPPC to overcome many of the same obstacles as local commissions:

“...(Publicly accessible data) in and of itself will increase transparency but also oversight and accountability, because now it's not just the Ethics Commission that's having to provide the oversight. The public and the press will do so as well. At the state level, the Fair Political Practices Commission, which enforces California's massive Political Reform Act, (relies on public engagement with data). They are experts. They know their stuff, but they are very understaffed and underfunded.”

One challenge for ethics commissions is fulfilling their function as a source for public records in an understandable format that increases public understanding of their significance. San Francisco tackled this problem by developing a searchable, sortable, and usable system for presenting public disclosures. Systems like those developed by Los Angeles and San Francisco provide easy access to unfiltered databases and curated, searchable dashboards. Both were cited in the 2021 report by the Campaign Legal Center, *Top 10 Transparency Upgrades for Ethics Commissions*.²⁰ LeeAnn Pelham, executive director of the San Francisco Ethics

¹⁹ Los Angeles Ethics Commission interview, San Francisco Ethics Commission interview

²⁰ Payne, K., Marsco, D., & Richardson, V. (2021, December 6). Top 10 transparency upgrades for Ethics Commissions. Campaign Legal Center. Retrieved March 1, 2023, from <https://campaignlegal.org/document/top-10-transparency-upgrades-ethics-commissions>

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Commission, was interviewed about their dashboard with an intuitive presentation of disclosure data for public review.

*"The SFEC believes that disclosure should be accessible, meaningful, and useful. Meaningful public disclosure is not achieved by giving the public discrete sets of data. ... (It should) connect the dots and make sense of campaign disclosures, lobbying data, and economic interest data."*²¹

Publicly accessible data typically acts as a check on willfully illegal behavior. At the same time, flagged violations allow actors who unintentionally violate a regulation to correct their mistake, as McMorris from Common Cause describes in his interview.

"(Publicly accessible data) is very important, not just for enforcement, but for oversight, also for accountability. ...For (those)... who fall under the purview of these laws, ...the likelihood of getting caught is higher if data is well organized and public. ...And on the flip side, they also now have a way to better comply with the laws... They may find out later by looking at this database, oh, I, I shouldn't have taken that. And then they can amend it and give it back. But if they don't know until they get in front of a hearing, they're out of luck."

Interviews and literature agree that transparency functions to enable effective regulation, facilitate public engagement, and, importantly, garner the political will to make policy changes.²² Informed constituents, press, and community organizations can provide political pressure to push policy or charter mandate changes.

Recommendations

Propose creating a publicly accessible, PEC-regulated database for mandated disclosure by contractors and other regulated agents.

"What we do really well is help the public understand what's happening at City Hall. We process tens of thousands of disclosure forms every year, and it's all on our website. It's all publicly available. We create ways for the public to access the information that hopefully generates a move to change existing city policies or promote new laws."

David Tristan, executive director Los Angeles City Ethics Commission

Development of a database for tracking agents bidding and currently contracted with Oakland would enable the PEC and city residents to utilize corresponding financial data effectively. This is a foundational need for efficient operation and fulfillment of legal obligations. The city has to provide constituents access to data, and contractors must disclose their status.²³ This added transparency is essential for adequate regulation of financial influence and provides the public with the information they need to understand the current policy better.

²¹ Id.

²² Marsco, D. (2022, December 1). *Ethics commissions across the country are using innovation to fight corruption*. Campaign Legal Center. Retrieved March 1, 2023, from <https://campaignlegal.org/update/ethics-commissions-across-country-are-using-innovation-fight-corruption>

²³ (2017). (rep.). *Toward Collaborative Transparency*. Retrieved March 1, 2023, from <https://cao-94612.s3.amazonaws.com/documents/oak044914.pdf>.

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Neither the Oakland Public Ethics Commission nor Oakland residents currently have access to comprehensive data listing current and potential contractors and their agents.²⁴ This makes it difficult to enforce OCRA campaign contribution limits and provide the public with the information they are entitled to. The database could include information about entities seeking licenses, permits, or land entitlements, allowing for monitoring the regulated class as expanded under the new statewide law, SB 1439.

Currently, contractors engage with the city through the Workplace and Employment Standards Department, where they are required to submit a Schedule O Form acknowledging that they understand OCRA campaign contribution limits as a part of their initial contract bid.²⁵ Viewing open contracting opportunities requires registering as a contractor with an iSupplier account that the city must approve.²⁶

Recent amendments to OCRA stipulated in the *Oakland Fair Elections* ballot measure, stipulate that contractor disclosure statements should be made directly to the Oakland PEC, making a PEC-managed, publicly accessible database of disclosures the logical next step.²⁷

The Oakland PEC is currently working with Open Oakland on their campaign finance database, *Open Disclosure Oakland*.²⁸ Open Oakland continuously accepts new projects, and creating a database for contractor disclosures would complement their current work with the PEC. A preliminary version of the OpenOakland Project Exploration: Contractor Database has been completed with citations and information from this report. It is located in [Appendix A](#).²⁹ [Appendix B](#) contains examples of contractor disclosure forms from Los Angeles that Oakland could model theirs on.

Begin a public engagement campaign to determine priorities for changes and reforms

With a regular process of policy review that includes public feedback and engagement, Oakland PEC could ensure they are in tune with the public interest, build trust with the community and harness the insight of community members to find solutions that are innovative and responsive to Oaklanders' needs.³⁰ Los Angeles has a legal mandate to review the effectiveness of their

²⁴ Oakland Public Ethics Commission, (March 2023). Informal interview.

²⁵ The Charter of the City of Oakland. (n.d.). Retrieved April 16, 2023, from https://cao-94612.s3.amazonaws.com/documents/A-Oakland-City-Charter_2022-04-15-204856_hoik.pdf.

²⁶ (n.d.). iSupplier RFQ User Guide (PDF). Retrieved from https://cao-94612.s3.amazonaws.com/documents/Bid_Quote_Withdrawal_UserGuide.pdf.

²⁷ Oakland Fair Elections Act Ballot Measure to reform Oakland City Charter, 2022. https://cao-94612.s3.amazonaws.com/documents/RESO-89316-Campaign-Reform-filed-materials_2022-07-30-033124_scna.pdf

²⁸ <https://www.opendisclosure.io/>

²⁹ A live version of the document is also available:

https://docs.google.com/document/d/1_4Q5pfR3TIClqZc4OfPZjKtfl0OD0bukc2FY4UbgxEE/edit?usp=sharing

³⁰ *Partnering with Community-Based Organizations for More Broad-Based Public Engagement*, Institute for Local Government, <https://www.ca-ilg.org/post/partnering-community-based-organizations-more-broad-based-public-engagement>

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policies regularly. They generate this report internally regularly but also based on public input whenever called for, as Executive Director David Tristan described:

"We're currently in the middle of some very heated lobbying ordinance proposals that we have tried to change since 2007. The past several attempts have died in the council committee. One of the big reasons it progressed much further this time is neighborhood councils have made a substantial impact by weighing in on the importance of the proposals. Mainly, because neighborhood councils are an arena where lobbying has been happening for years. One reason for the involvement this time was that a person attended a neighborhood council and lobbied on behalf of a particular issue while appearing to be a member of the community when in fact he was a lobbyist. They realized this when they verified it by going to our site to view our lobbyist disclosure information. This created an uproar in this and many neighborhood councils and resulted in support of the proposed changes, including requiring verbal disclosure of lobbyists at neighborhood council meetings."

Los Angeles invests in public trust by effectively incorporating their feedback into their policy change agenda. Their ongoing process for collecting public input includes:

- soliciting feedback on particular issues on their website and via email,
- collecting community impact statements from Neighborhood Councils, and
- holding town hall and one-on-one meetings.³¹

With the recent passage of Fair Elections Oakland (Measure W), the PEC will begin outreach to citizens to inform them about Democracy Dollars, Oakland's new public financing system.³² This is a great opportunity to build relationships with the public and lasting relationships with community-based organizations invested in Measure W, which largely expanded and empowered the PEC. These organizations, like Oakland Rising, would make excellent community partners for a long-term campaign of public engagement, given their deeply rooted connections to a diversity of Oakland residents, as they describe in their objectives,

"We are building on-going political infrastructure while advancing progressive racial justice education and policy with voters who are often left out of the political process. Running 2-3 voter outreach campaigns per year, we reach tens of thousands of low-income, immigrant and voters of color in English, Spanish, Cantonese and Mandarin. Our base includes over 59,000 supportive voters — 25% of Oakland's electorate."³³

Building relationships with community-based organizations sets the stage for developing a long-term plan for community engagement that is responsive to a broader base of Oaklanders, including communities not often heard from in local government. The engagement of Community groups like Oakland Rising, the League of Women Voters, and the Community Democracy Project on Fair Elections Oakland (Measure W) and their commitment to increasing public engagement in local government makes now an ideal time to reach out to them for

³¹ <https://ethics.lacity.org/policy/>, Item 6 Action [Continued Review of Key Campaign Finance Laws](#)

³² <https://fairelectionsoakland.org/>

³³ <https://www.oaklandrising.org/flex-people-power/>

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ongoing collaboration.³⁴ Oakland PEC can work with organizations in an exploratory sense to determine potential partnerships, then work together to develop outreach and engagement plans that make sense. One approach to determining community partners comes from the International Association for Public Participation (IAP2):

“The best way to determine the right fit is by having an exploratory discussion to assess how the group’s focus matches the audiences, topics and activities the local public agency is contemplating for engagement. If after meeting with a community organization, it turns out that there is not an immediate fit for a partnership, valuable information about that part of the community’s perspective will still have been gained.”³⁵

Develop a network of ethics commissions for connection and information sharing

Ethics commissions in California stand to benefit from developing a network of shared learning and development as a means of overcoming obstacles by sharing information and support.³⁶ Tristan describes how Los Angeles provides a similar function in an ad-hoc manner,

“This area of law that we work in is constantly changing. To address these constant changes, requires novel development of laws which don’t have precedents. Jurisdictions reach out to us and say, have you looked at this... how did you handle it?”

Former PEC Executive Director, Whitney Barazoto, has been working on a project, still in development, that would help establish this kind of network. She described her vision for the end product:

“Here’s what everyone’s doing with campaign finance, here. And then I’d like to have an enforcement section and also a public engagement section because I feel like all the Commissions could really benefit from shared insight, knowledge, and expertise... So I wanted to try and grow that... And just give everyone a place for professional development.”³⁷

To build up a network of support and information sharing in the meantime, Oakland could look to the model initiated by The National Neighborhood Indicators Partnership (NNIP), a learning network coordinated by the Urban Institute that connects independent partner organizations in more than 30 cities.³⁸ The NNIP began in the early 1990s with a local group of organizations

³⁴ The Institute for Local Government is the nonprofit 501(c)(3) research and education affiliate of the League of California Cities, the California State Association of Counties and the California Special Districts Association. Their mission is to promote good government at the local level with practical, impartial and easy-to-use resources for California communities.

³⁵ Partnering with Community-Based Organizations for More Broad-Based Public Engagement, Institute for Local Government.
https://www.ca-ilg.org/sites/main/files/file-attachments/partnering_with_comm_based_orgs_final.pdf?1497553496

³⁶ Marsco, D. (2022, December 1). Ethics commissions across the country are using innovation to fight corruption. Campaign Legal Center. Retrieved March 1, 2023, from
<https://campaignlegal.org/update/ethics-commissions-across-country-are-using-innovation-fight-corruption>

³⁷ Barazoto welcomes feedback and input from other commissions. Her email is wbarazoto@comcast.net.

³⁸ Hendey, L., Cowan, J., Klingsley, G., & Pettit, K. (2016, May 27). NNIP’s guide to starting a local data intermediary. Urban Institute. Retrieved from
<https://www.urban.org/research/publication/nnips-guide-starting-local-data-intermediary>

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and institutions working to create a collaborative network engaged in neighborhood-level data collection and analysis. They worked in partnership with the Urban Institute to promote knowledge sharing, develop standardized methodologies, and increase the capacity of local communities to use data effectively. The NNIP has continued to grow and are actively engaged with local communities, policymakers, and stakeholders to ensure that data is appropriately used in the service of community initiatives.³⁹

Pilot Phase: During the initial phase, the Urban Institute worked with a small group of local partners to test the feasibility of the partnership. They focused on developing standardized methodologies for collecting, analyzing, and sharing neighborhood-level data across multiple cities.

Oakland has hosted summits before for practitioners throughout CA with great success. For the development of a network at this level, planning, development, and responsibility should be determined collectively and responsive to individuals' capacity, but Oakland could certainly initiate such a project with a summit modeled on their event in 2016.⁴⁰

Policy Awareness

Widespread awareness of regulatory policy and updates is essential to establish compliance among the regulated community.⁴¹ Regulated parties can't fulfill their reporting and disclosure obligations if they don't understand the law, and claims that violations are due to ignorance undermine the PEC's ability to hold parties accountable. The problem is further compounded by the fact that data identifying regulated contractors and associated agents is not reasonably accessible to either the public or the PEC for adequate identification of agents subject to regulation.⁴²

Clear communication of election laws, penalties, and enforcement are major components of building trust with the public. As Heather Holt, Deputy Executive Director of the Los Angeles City Ethics Commission, describes:

"If the public is going to have confidence that its government is acting in its best interest, there have to be some tight controls so that the public can believe that what's being done at City Hall is trustworthy. Even if you disagree with the policy perspective, you can feel confident in the process."

Legal mandates allow for consistent awareness

Oakland has been operating with a drastically under-resourced enforcement division for some time. There have been only two Enforcement employees since 2016 and only one since late

³⁹ Id.

⁴⁰ Id.

⁴¹ Interviews with Oakland PEC, Los Angeles City Ethics Commission, San Francisco Ethics Commission, Common Cause, FPPC

⁴² Interview with Oakland PEC

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2022, who is currently handling around 70 cases.⁴³ San Francisco, as a point of comparison, has eight staff members working on enforcement with a caseload-to-staff ratio of 7:1 compared to Oakland's 70:1.⁴⁴ This makes it difficult to be consistent with consequences, decreasing the credibility of the threat of enforcement for noncompliance. It also makes it next to impossible to build public trust and confidence.⁴⁵

One interviewee spoke to the importance of legally binding policy to ensure compliance:

*"We have a lot of mandates. Just about everything we do is required by law. A lot of what doesn't get done in other departments are great ideas, but it's not the law. What we do is legally backed."*⁴⁶

Mandated disclosure by regulated parties and recipients can provide additional checks on disclosure obligations. Los Angeles Ethics Commission requires that campaigners collect both a Contributor Certification Form from single donors and an Aggregate Contribution Verification for any contributors making multiple donations or with many agents. This process provided an additional check for regulated contributors to learn of restrictions they must comply with and a method of confirmation that any willful deception was not accidental, as well as confirmation of compliance by campaigners, as David Tristan, Executive Director of Los Angeles City Ethics Commission described in his interview,

"We use it to ensure that the contributor is signing under penalty of perjury, but also it's a way for the committee to show that they are trying to comply with the requirements by obtaining these forms."

Both of these forms, as well as guidance for curing any prohibited donations, are clearly outlined in [Los Angeles' Candidate Guide](#).⁴⁷ Examples of both the Contributor Certification Form and the Aggregate Contribution Verification Form can be found in [Appendix D](#).

Education teams broaden awareness with active, relevant material

Public ethics policies and practices are frequently updated and require clear, accessible, and consistent guidance and implementation to effectively inform the regulated community and general public of current policy and practices.⁴⁸ San Francisco Ethics Commission has a new team dedicated to achieving just that called Ethics at Work, which Acting Policy and Legislative Affairs Manager Michael Canning describes in the following passage:

⁴³ Russell, S. (2023). Item 8 -Enforcement Report.

<https://cao-94612.s3.amazonaws.com/documents/Item-8-2023-May-PEC-Enforcement-Report.pdf>

⁴⁴ Id.

⁴⁵ Fagan , S., & Memmott , K. (2021). Oregon's Ethics Commission and Laws Could Be Better Leveraged to Improve Ethical Culture and Trust in Government . Secretary of State, Oregon Audits Division. Retrieved from <https://sos.oregon.gov/audits/Documents/2021-14.pdf> .

⁴⁶ Anonymous quote, interview (2023)

⁴⁷ <https://ethics.lacity.org/wp-content/uploads/2023-Candidate-Guide-CD6-Special.pdf>

⁴⁸ <https://ethics.lacity.org/education/>

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“We have a new Ethics at Work training division that is focused on developing materials and providing training to city officials and others subject to Commission rules. And that’s a project that our division that just got staffed up ... so they’ve been starting to roll out more materials now. Because that’s really our ultimate goal; to cut off violations before they happen and address things proactively.”

Educational materials should be clear, regularly updated, and provide step-by-step guidance to maintain compliance tailored to each regulated community, including consequences for violations as well as curing methods for violators where appropriate.⁴⁹ Hawaii State Ethics Commission’s revamped homepage is highlighted in the Campaign Legal Center’s Top 10 Transparency Updates as a model for clarity and access. Their previous page contained the same information, but they spent excessive time directing people to information. Color coding, graphics, and intuitive link chains create access and clarity for a user-friendly experience that expands access and increases website engagement. They were able to make all website changes in-house with existing IT support, and the new design increased public and stakeholder engagement and saved commissioners time previously spent trying to navigate callers to their desired information.⁵⁰

Engaging and entertaining ethics trainings encourage engagement

Ethics trainings are known for being unappealing and dry, but they don’t have to be. The New York City Conflicts of Interest Board (COIB) has been using social media and a sense of humor to provide engaging, on-demand education videos to great effect. They have expanded their educational reach via social media and demystified complicated conflict of interest laws with digestible, enjoyable content.⁵¹

The Ohio Ethics Commission provides another example of how engaging online material expands the reach and digestibility of educational materials. They maintain a trove of webinars and e-newsletters that present all stakeholders with understandable information and highlight aspects of the material that community members care about, like “Building a Culture of Integrity,” which breaks down Ohio Ethics Laws. Their material has even been picked up as teaching aids by law schools and compliance attorneys.⁵²

While traditional policy training can be tedious, case studies of policy violations and enforcement actions are matters of public interest and make excellent anecdotal teaching tools. Publishing details of closed cases and formal requests for advice inherently capture the public

⁴⁹ O’Brien, T. (2020). AUDIT REPORT: Ethics, Board of Ethics and Clerk and Recorder’s Office. In City and County of Denver Auditor. https://denver.prelive.opencities.com/files/assets/public/auditor/documents/audit-services/audit-reports/20/ethics_february2020.pdf

⁵⁰ Id.

⁵¹ Id.

⁵² Id.

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interest and get the attention of the regulated community.⁵³ Historically, Oakland has provided such information in press releases and their newsletter, *Public Trust*, but has not produced an issue since 2020. Los Angeles also includes detailed summaries of significant enforcement matters that are instructive in helping people voluntarily comply with the law. Deputy Executive Director Heather Holt said:

“...it's not a fun way to learn, but a press release about an enforcement matter can be very educational. Similarly situated people might think, Oh, that guy just got fined \$10,000 for doing what I've been doing for the last three months. Maybe I need to change direction.”

This allows regulated parties to reconsider their conduct if they were either unaware they were violating policy or thought they could get away with violations..⁵⁴

Recommendations

Enhance online materials to increase accessibility and clarity

Democracy Dollars can ignite civic engagement among a diversity of residents typically shut out of political influence. This could be an opportune time to increase the commission's recognition and understanding. Ideally, outreach will be with people who have not previously had little ability to donate financially. The PEC and these groups can create a mutual feedback cycle to provide valuable information and priorities to each other and improve the accessibility and clarity of the PEC's website and existing training materials.

Resuming regular production of the PEC newsletter, *Public Trust*, provides a tangible, updated resource to point community members to while conducting outreach to the public about Democracy Dollars and building connections with community groups. This would be an excellent place to begin detailing stories of outstanding cases, policy updates, and training materials. It can also be a way for readers to provide feedback on the problems they see and their needs for policy change. This kind of project can go a long way toward enhancing public trust.

Mandate contribution certification from campaigns

Currently, Oakland suggests that campaigns use a contributor verification card, which they provide in the appendix of the Oakland Campaign Reform Act Guide ([Appendix E](#) in this report).⁵⁵ However, considering the historical and current lack of accountability for contractor disclosure reports, Oakland should require that campaigns certify every donation, providing additional checks that contributors understand the law and comply with restrictions.

⁵³ Fagan, S., & Memmott, K. (2021). Oregon's Ethics Commission and Laws Could Be Better Leveraged to Improve Ethical Culture and Trust in Government . Secretary of State, Oregon Audits Division. Retrieved from <https://sos.oregon.gov/audits/Documents/2021-14.pdf>.

⁵⁴ Interview with the Los Angeles Ethics Commission:

⁵⁵ Public Ethics Commission 2018 Public Ethics Commission Oakland Campaign Reform Act Guide. (2022). <https://cao-94612.s3.amazonaws.com/documents/Oakland-Reform-Act-Guide-2018.pdf>

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Oakland should also adopt an aggregated contribution certification form similar to Los Angeles's Aggregate Contribution Verification in [Appendix D](#). It is too common for wealthy developers to make multiple donations to a single candidate, such as when 11 West Partners used "shell" companies to make multiple donations to Oakland's former Mayor, Libby Schaff while seeking to purchase City-owned land.⁵⁶

Implementation

A goal of this analysis is to improve the implementation of the ideals behind OCRA, SB 1439, and all other such ethics laws. Many other jurisdictions regulate "pay-to-play" behaviors differently than Oakland does. The diversity of implementation styles leaves many lessons for effectively eliminating "pay-to-play" corruption in local elections.

Oakland's campaign contribution restriction amounts fall within the median range

Currently, the Oakland Campaign Reform Act limits campaign contributions from individuals, organizations, and broad-based political committees. Following the passage of Measure W, contributions are limited to \$600/\$1200 in 2024, which is relatively strict compared to other regions. [Table 2](#) compares Oakland's contribution limits with several other jurisdictions in California.

[Table 2.](#) Standard Contribution limits by jurisdiction.

	Person	Committee
Oakland ⁵⁷	\$600	\$1200
FPPC ⁵⁸	\$5,500	\$5,500
Long Beach ⁵⁹	\$400	\$400
Los Angeles ⁶⁰	\$800-1,300*	\$800-1,300*
Sacramento ⁶¹	\$1,800-3,600*	\$6,000-12,000*
San Diego ⁶²	\$750-1,350*	\$0

⁵⁶ PEC case #18-19

⁵⁷ City of Oakland. "Campaign Contribution Limits." Accessed June 27, 2023.

<https://www.oaklandca.gov/resources/oakland-campaign-contribution-limits-2>.

⁵⁸ *Contribution Limits: City and County Candidates*. (n.d.). Retrieved April 16, 2023, from

<https://www.fppc.ca.gov/learn/Contribution-Limits-City-and-County-Candidates.html>

⁵⁹ *City of Long Beach Campaign Ethics Guide*. (n.d.). Retrieved April 16, 2023, from

<https://www.longbeach.gov/globalassets/city-clerk/media-library/documents/elections/elections-home/campaign-ethics-guide-2019>

⁶⁰ *2022 Contributor Guide*. (n.d.). <https://ethics.lacity.org/wp-content/uploads/Contributor-Guide-2022.pdf>

⁶¹ *2.13.050 Contribution limitations*. (n.d.). Retrieved April 16, 2023, from

https://library.qcode.us/lib/sacramento_ca/pub/city_code/item/title_2-chapter_2_13-article_iii-2_13_050

⁶² <https://www.sandiego.gov/ethics/faqs/contrib#contrib2>

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San Francisco ⁶³	\$500	\$0
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**Varies depending on office.*

OCRA also restricts contributions from those who contract or seek a contract with the City or Unified School District. This law indirectly impacts lobbyists by preventing contributions from those “authorized to represent the entity before the City,” which may include lobbyists.

Other cities are more explicit and broad in regulated classes prohibited from contributing to campaigns. For example, Los Angeles’s Campaign Financing Ordinance Section 49.7.16 forbids donations from a) lobbyists and lobbying firms, b) bidders, sub-contractors, principals, or underwriting firms, and c) restricted developers, each as defined in various other parts of their code. San Francisco’s Campaign Finance Reform Ordinance similarly prohibits contributions from contractors, persons with pending land use matters, lobbyists, and lobbying firms. In both cities, lobbyists and lobbying firms are restricted from contributing to officials who are members of an entity with which the lobbyists are registered.

Table 3. Further restrictions by jurisdiction and regulated class.

	Contractors	Developers	Lobbyists
Oakland	Cannot donate	None but may be impacted by contractor ban	None but may be impacted by contractor ban
FPPC	Restricted to \$250	Restricted to \$250	None, unless breaches conflict of interest
Long Beach	None	None	None
Los Angeles	Cannot donate	Cannot donate	Restricted from contributing to members of entities they are registered to lobby with
Sacramento	None	None	None
San Diego	None	None	None
San Francisco	Cannot donate	Cannot donate	Restricted from contributing to members of entities they are registered to lobby with

⁶³ <https://sfethics.org/guidance/campaigns/contributors/san-francisco-ethics-commission-contributor-guide>

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These more explicit policies, combined with transparent and thorough tracking of data, seem to lead to fewer cases of violations. One analyst praised the quality of the campaign contribution limitations, stating that “in election campaign contributions, we don’t see as much [“pay-to-play” corruption].”

SB 1439 and the Levine Act present a middle ground on prohibitions and act as the base for cities that do not provide stricter prohibitions. They prohibit contributions greater than \$250 from any participant who may have a financial interest in an ongoing negotiation for a license, permit, or other entitlement for use and for 12 months following the conclusion of negotiations. Per Section 84308(a)(5), “[l]icense, permit, or other entitlement for use” means all business, professional, trade, and land use licenses and permits and all other entitlements for use, including all entitlements for land use, all contracts (other than competitively bid, labor, or personal employment contracts), and all franchises.

The maximum fine for violating these prohibitions in Oakland is \$5,000 or three times the contribution made in error, whichever is greater. San Francisco and Los Angeles have the same enforcement capabilities as Oakland. San Diego’s enforcement cap is \$5,000 but does not allow for treble damages, which can be limiting.

Auditing, whether thoroughly or randomly, is an effective deterrent against “pay-to-play” corruption

“Audits are a significant aspect of Commission work, assisting enforcement as campaign committees understand that the Commission will be reviewing their records.”

Table 4. Jurisdictions by auditing policy.

Audit all campaigns	Audit random campaigns	No formal auditing
<ul style="list-style-type: none">• Los Angeles• San Francisco	<ul style="list-style-type: none">• <i>FPPC*</i>• San Diego	<ul style="list-style-type: none">• <i>Oakland</i>• Long Beach• Sacramento

**FPPC also has a formal discretionary audit process*

While not all jurisdictions perform regular audits of campaign committees, those that do attest to their effectiveness in deterring “pay-to-play” corruption. While the full San Francisco and Los Angeles audits require notable resourcing, some jurisdictions perform audits at random. San Diego staffs one auditor and can get to “most campaign committees” through their randomly selected audits. They explain their selection process as follows:

During every odd numbered year, the ethics commission schedules a random drawing of committees involved in the prior election cycle at a meeting open to the public. At the random drawing, the commission selects 100% of all candidate and ballot measure committees that raised over \$100,000; 75% of all candidate and ballot measure committees that raised between \$50,000 and \$99,999; and

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25% of committees that raised between \$15,000 and \$49,999. Committees that raised less than \$15,000 are not included in the audit pools.

In addition to the committees chosen in the random selection process, the commission may audit committees as a result of a complaint that results in a formal investigation.⁶⁴

Oakland's Public Ethics Commission is comparatively understaffed

"And we have 37 staff members to do all of that. So it is very difficult for us to stay ahead of our audit mandate or to stay ahead of our enforcement mandate. ... It's tough to be an agency that essentially has the responsibilities of all three branches of government rolled into 37 people."

Heather Holt, Deputy Executive Director, Los Angeles City Ethics Commission

Table 5. Ethics Commission Staffing (as of April 15, 2023).

	Oakland	Long Beach	Los Angeles	San Diego	San Francisco
Total Staff	7	5	37	6	34
Admin	1*	3	8	2	6
Analysts	2	1	0	0	2
Auditors	0	0	7	1	4
Enforcement	1	1	10	1	8
Education	1	0	12	1	4
Data	0	0	0	0	4
Other Staff	0	0	0	1 for legislation	6 for engagement and compliance

*Acting director is also the lead analyst.

Oakland and several other cities include minimum staffing requirements for its Public Ethics Commission in its charter. This includes one "Executive Director; Enforcement Chief; Ethics Investigator; Ethics Analyst I; Ethics Analyst II; Administrative Assistant I." (Charter Section 603(g)(2)).⁶⁵ Per Measure W, the PEC should hire "additional adequate staff necessary to properly administer the Democracy Dollars Program ... including but not limited to one full-time Democracy Dollars Program Manager and three Full Time Equivalent positions." It also allows for the prioritization of these funds elsewhere where deemed necessary. Los Angeles and San Francisco have more resource-intensive ethics requirements and, thus, larger staffs.

⁶⁴ *Selection for an Ethics Commission Audit | Ethics Commission | City of San Diego Official Website.* (n.d.). Retrieved April 16, 2023, from <https://www.sandiego.gov/ethics/faqs/audit>

⁶⁵ *The Charter of the City of Oakland.* (n.d.). Retrieved April 16, 2023, from https://cao-94612.s3.amazonaws.com/documents/A-Oakland-City-Charter_2022-04-15-204856_hoik.pdf

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Oakland currently has a single staff member devoted to enforcement. By comparison, San Francisco dedicates eight staff members to enforcement, though six positions are filled at the time of writing. Los Angeles currently staffs ten enforcement investigators. San Francisco staffs four auditors, and Los Angeles staffs seven which is enough to audit most or all campaign committees. In comparison, San Diego randomly selects committees to audit and staffs one auditor, one enforcement officer, and four attorneys for other services.

Recommendations

Mandate an annual random audit of campaigns to deter OCRA violations

Oakland could consider extending the mandated functions of Commission staff to auditing campaign funds. The Commission should require a certain amount of staff depending on the extent of the auditing.

A thorough audit of campaign committees will ensure that few large offenders can go unnoticed. In Los Angeles, audits are conducted at the end of the election cycle for “all committees controlled by a candidate who receives public matching funds or a candidate who raises or spends at least \$100,000 in an election.”⁶⁶ San Francisco also has similar requirements. Oakland would likely need at least three auditors on staff to implement this type of audit program.

Alternatively, Oakland could audit through random selection, as San Diego and the FPPC do. In San Diego, random selections are made every odd year from the prior year’s election. This gives them enough time to conduct many audits before the next election cycle. They audit a substantial percentage of campaigns with only a single auditor.

Review legislative options to restrict donations from common offending classes

Oakland should also evaluate whether ethics laws regulate all intended classes. San Francisco and Los Angeles prohibit lobbyists from donating to candidates for entities they are registered to lobby with. They also restrict developers seeking permits or other planning entitlements from “making contributions to the Mayor, the City Attorney, a City Council member, a candidate for one of those offices, or a City committee controlled by one of those individuals.”⁶⁷ The Public Ethics Commission should do analysis and public outreach to determine the desire for this type of reform.

Next Steps

Campaign finance is only one risk point for “pay-to-play” corruption. Ethics agencies that have successfully addressed this risk factor focus on other vectors, such as behested payments and

⁶⁶ *Audits—Ethics Commission*. (2018, November 15). <https://ethics.lacity.org/audits/>

⁶⁷ *Developer Contribution Ban Goes Into Effect - Ethics Commission*. (2022, June 8). <https://ethics.lacity.org/news/developer-contribution-ban-goes-into-effect/>

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gift giving. Los Angeles has a zero gift limit for lobbyists, a \$100 gift limit for certain restricted sources doing activity with the city, and a state gift limit. They also restrict behested payments further than the state does. Oakland may consider various tactics for addressing these risks.

Other cities identify the risks independent expenditures introduce. Oakland already has a relatively reasonable policy, but they may consider analyzing other cities' approaches to understand how they compare.

Conclusion

"Pay-to-play" corruption is a complex issue to address. Its existence and even its appearance can damage trust in the democratic process. The Oakland Campaign Reform Act (OCRA) is a reasonably average-strength ethics law that could benefit from enforced resourcing, including in staffing, technology, and operations. Analyzing data from the angles laid out in the problem statement revealed several themes.

Strong data management can provide more effective **transparency** to the Commission and the public, improving accountability to the law.

Proactive education and outreach raise **awareness** and give regulated persons the best opportunity to adhere to the law.

Effective **implementation** and enforcement require creativity, but policies from other jurisdictions represent a valuable comparison of how Oakland can proceed.

Oakland should create a publicly accessible, PEC-regulated database for mandated disclosure by contractors and other regulated agents. Oakland should also consider mandating an annual random audit of campaigns to deter OCRA violations. This approach is effective enough and relatively easier to staff. The PEC should conduct public outreach to understand which other regulations the community desires.

Oakland is not alone in working to address "pay-to-play" corruption. There is a broad landscape of alternative solutions they can explore. This type of corruption can be controlled with comprehensive and transparent data systems, involvement from the public and regulated parties, and legislation that disincentivizes the pursuit of corrupt behavior.

Appendices

Appendix A - OpenOakland Project Exploration Worksheet

Instructions

1. **Make a copy of this doc** and make it shareable so “Anyone with the link” is set to “Comment” (or “Edit” if you’d like people to be able to contribute directly).
2. Complete the worksheet with your team (if you have one).
3. Share your draft worksheet in [Slack’s](#) #oo-general channel to get feedback from brigade members.

Why is this worksheet important?

The goal of the project exploration worksheet is to support the development of OpenOakland projects that actively work toward our mission of bridging technology and community for a thriving and equitable Oakland. Completing this worksheet is a requirement for becoming an OpenOakland project. It’s designed to help you identify and develop the following:

- Alignment with OpenOakland’s mission and values
- A clearly defined issue and a constituency
- A plan to validate the issue and audience
- Ideas for sharing decision-making with those most impacted by the project
- Clear goals and identified outcomes for the project
- Exploration of potential *unintended* outcomes, such as possible harms or other negative impacts, particularly to historically marginalized and underrepresented groups

It also provides a starting point for discussion amongst brigade members so that we can support each others’ efforts and hold ourselves and each other accountable.

Project Info

Your name and email

Add your answer here.

Any members of your team

Add your answer here.

Project nickname

You can change this later. For now, we just need something to refer to it by.

Add your answer here.

Questions:

What issue does your project focus on?

Describe what you know about the issue and how the issue might contribute to inequities in Oakland.

The need for a publicly accessible database of potential and current contractors with the City of Oakland and potentially entities seeking license, permit or land entitlements. This is essential for the public and Oakland Ethics Commission to identify which campaign contributions come from the regulated community. Neither the Oakland Public Ethics Commission nor Oakland residents currently have access to comprehensive data about who the aforementioned entities are, which is essential to ensure compliance with Oakland Campaign Reform Act (OCRA) limits on campaign contributions and to provide the public with the information they are entitled to.⁶⁸ Including information about entities seeking license, permit or land entitlement would allow for monitoring the regulated class as expanded under the new statewide law, SB 1439.⁶⁹ Currently, contractors engage with the city through the Workplace and Employment Standards Department where they are required to submit a Schedule O Form acknowledging that they understand OCRA campaign contribution limits as a part of their initial contract bid. None of these interactions, nor any subsequent data, are publicly accessible. Viewing open contracting opportunities requires registering as a contractor with an “iSupplier” account that the city must approve. However, iSupplier is not the only entry point for negotiations with the city, so the data contained is incomplete, and the law is difficult to enforce. Recent amendments to OCRA stipulated in the Oakland Fair Elections ballot measure stipulate that contractor disclosure

⁶⁸ Oakland, CA Code of Ordinances, Chapter 3.12 - THE CITY OF OAKLAND CAMPAIGN REFORM ACT (https://library.municode.com/ca/oakland/codes/code_of_ordinances?nodeId=TIT3MUEL_CH3.12THOACAREAC)

⁶⁹ An act to amend Section 84308 of the Government Code, relating to the Political Reform Act of 1974. Senate Bill 1439, 2022.

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statements should be made directly to the Oakland PEC, making a PEC managed, publicly accessible database of contractor disclosures the logical next step.⁷⁰

How does this project support OpenOakland's mission and values?

Read these on [OpenOakland's website](#).

This project would present information that is currently inaccessible to the public, despite their right to know, in an objective manner. This will build partnerships between the public and the Oakland Public Ethics Commission, who benefit from public engagement in their work to regulate financial influence on local elections.

Who is impacted by this issue?

Describe the people in as much detail as possible. Try to move beyond demographics and think about underlying experiences, behaviors, needs, and goals.

Many of Oakland PECs most significant cases are with contractors that Oakland constituents know well, such as large developers who are all over the news, and problematic programs like Shotspotter. This level of transparency will empower Oaklanders to follow up on contractors that have harmed their communities, identify the names of contributors who are restricted under their contract, and monitor the whole of their influence on local campaigns.

How do you know this is an issue for this group?

What empirical data or anecdotal evidence do you have that this issue exists for this audience?

A significant portion of the Oakland PEC's caseload comes from the reports of concerned citizens who have followed up on contractors' contribution activity.

⁷¹How might this project impact the following communities?

Thinking specifically and intentionally about historically marginalized and underrepresented groups helps us mitigate potential harms and unintended consequences.

- Black, Indigenous, and other communities of color
- Women and LGBTQ+ people
- People with physical, cognitive, or other disabilities
- Non-native English speakers

⁷⁰ Oakland Fair Elections Act Ballot Measure to reform Oakland City Charter, 2022. (https://cao-94612.s3.amazonaws.com/documents/RESO-89316-Campaign-Reform-filed-materials_2022-07-30-033124_scna.pdf)

⁷¹ <https://data.oaklandca.gov/stories/s/hpdg-bimb>

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Many of these contracts that violate contribution limits come from unethical contractors whose work directly impacts low-income communities of color.⁷¹ This includes developers trying to build housing more profitable than the affordable and deeply affordable housing that Oakland desperately needs, as well as harmful contractors like ShotSpotter, currently under investigation in Portland, Oregon for violating city lobby codes⁷², and fined by Oakland PEC for their violations here.⁷³ ShotSpotter is police tech that calls officers out to detected gunshots, but multiple studies have found it to be unreliable, sending police on high alert into communities, increasing high-intensity interactions that are especially deadly in communities of color.⁷⁴

Whom might you partner within these communities to inform the work?

We strongly encourage direct collaboration with community partners (and have found that the most successful projects tend to be produced in partnership with those impacted by a project).

There are many community organizations that have supported Measure W's passage who Oakland PEC would like to partner with on community outreach regarding Democracy Dollars, which would naturally include an intro to the PEC and could easily include this project. We are looking to increase outreach through partnership with community organizations to facilitate deeper public partnership. Organizations we have our eye on are worked closely on Measure W and include Oakland Rising, (which includes Asian Pacific Environmental Network, Causa Justa : Just Cause, Community United for Restorative Youth Justice (CURYJ), East Bay Alliance for a Sustainable Economy, Ella Baker Center for Human Rights, Mujeres Unidas Y Activas, Parent Voices Oakland and St. Mary's Center), Oakland's Community Democracy Project and the League of Women Voters, Oakland.

⁷²<https://www.opb.org/article/2023/02/17/portland-oregon-shot-spotter-shotspotter-gunshot-detection-technology-police/>

⁷³ <https://www.oaklandca.gov/resources/public-ethics-commission-enforcement-actions>

⁷⁴ <https://cancelshotspotter.com/#research>

What other stakeholders do you need to consider, and do you have existing connections with them?

Will you be reliant on a government agency for specific data, input, or approvals? Are there other groups or communities that may be impacted by your project, and how might you include them in your design/build process? Is there anyone you can lean on for support or input?

We have a legal mandate to collect and manage this information, thus authority to initiate such a project. We are well connected with the City Administrator and all other government agencies and city officials by virtue of our position as an independent government regulatory commission.

What specific outcomes do you hope to achieve?

Instead of focusing on what you want to build, first describe how you hope to impact the particular community, institution, or individual(s) that you're targeting. What will change as a result of this work?

Create the access to information about government contractors necessary for Oakland PEC to effectively fulfill their public mandate to maintain transparency and enforce campaign limits on the entirety of the regulated community. Prepare for compliance with SB 1439 by including information about entities seeking license, permit or land entitlement. Empower the public with details about entities included under government contracts so that they can monitor the entirety of the influence of contractors whose projects impact their communities.

How do you hope to achieve these outcomes?

Problems can often be solved in many different ways, so we want to think carefully about why we're choosing a specific approach. Describe the solution, tool, or experience you hope to develop. Include as much detail as you need.

Developing a publicly accessible database of potential and current contractors with the City of Oakland and potentially entities seeking license, permit or land entitlements. This could potentially be connected to

Acknowledgments

This document has evolved from input, expertise, and experiences from many people and organizations, including: OpenOakland's West Oakland Air Quality team and the West Oakland Environmental Indicators Project, OpenOakland membership and leadership, Darlene Flynn and others on the City of Oakland's Race & Equity team.

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Appendix B - Contractor Disclosure Forms

FORM 50	Bidder Certification	Los Angeles City ETHICS COMMISSION
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This form must be submitted with your bid or proposal to the City department that is awarding the contract noted below. If you have questions about this form, please contact the Ethics Commission at (213) 978-1960.

☐ **Original Filing** ☐ **Amendment:** Date of Signed Original _____ Date of Last Amendment _____

Reference Number (Bid, Contract, or RAMP)	Awarding Authority (Department awarding the contract)
Bidder Name	
Address	
Email Address	Phone Number

Certification

I certify the following on my own behalf or on behalf of the entity named above, which I am authorized to represent:

A. I am applying for one of the following types of contracts with the City of Los Angeles:

1. A goods or services contract with a value of more than \$25,000 and a term of at least three months;
2. A construction contract with any value and duration;
3. A financial assistance contract, as defined in Los Angeles Administrative Code § 10.40.1(h), with a value of at least \$100,000 and a term of any duration; or
4. A public lease or license, as defined in Los Angeles Administrative Code § 10.40.1(i), with any value and duration.

B. I acknowledge and agree to comply with the disclosure requirements and prohibitions established in the Los Angeles Municipal Lobbying Ordinance if I qualify as a lobbying entity under Los Angeles Municipal Code § 48.02.

I certify under penalty of perjury under the laws of the City of Los Angeles and the state of California that the information in this form is true and complete.

Name

Signature

Title

Date

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FORM 55	Prohibited Contributors (Bidders)	Los Angeles City ETHICS COMMISSION
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This form must be completed in its entirety and submitted with your bid or proposal to the City department that is awarding the contract. Failure to submit a completed form may affect your bid or proposal. If you have questions about this form, please contact the Ethics Commission at (213) 978-1960.

☐ **Original Filing** ☐ **Amendment:** Date of Signed Original _____ Date of Last Amendment _____

Reference Number (Bid, Contract, or RAMP): _____	Date Bid Submitted: _____
Contract Description (Title of the RFP or City contract solicitation and description of the services to be provided): _____	
Awarding Authority (Department awarding the contract): _____	
Bidder Name: _____	
Bidder Address: _____	
Bidder Email Address: _____ Bidder Phone Number: _____	

Schedule Summary

Please complete all three of the following:		
1. SCHEDULE A – Bidder's Principals <i>(check one)</i>	Yes	No
The bidder has one or more PRINCIPALS , as defined in LAMC § 49.7.35(A)(6). At least one principal is required for entities. <i>(If you check "Yes", Schedule A is required.)</i>	<input type="checkbox"/>	<input type="checkbox"/>
2. SCHEDULE B – Subcontractors and Their Principals <i>(check one)</i>	Yes	No
The bidder has one or more SUBCONTRACTORS on this bid or proposal with subcontracts worth \$100,000 or more. <i>(If you check "Yes", Schedule B is required.)</i>	<input type="checkbox"/>	<input type="checkbox"/>
3. TOTAL NUMBER OF PAGES SUBMITTED (including this cover page): _____		

Certification

I certify the following under penalty of perjury under the laws of the City of Los Angeles and the state of California: A) I understand, will comply with, and have notified my principals and subcontractors of the requirements and restrictions in Los Angeles City Charter § 470(c)(12) and any related ordinances; B) I understand that I must amend this form within ten business days if any information changes; C) I am the bidder named above or I am authorized to represent the bidder named above, and my name appears below; and D) The information provided in this form is true and complete to the best of my knowledge and belief.	
_____ Name	_____ Signature
_____ Title	_____ Date

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FORM 55	<h2>Prohibited Contributors (Bidders)</h2>	<div style="border: 1px solid black; padding: 2px; display: inline-block;">Los Angeles City ETHICS COMMISSION</div>
Schedule A - Bidder's Principals		
<p>Please identify the names and titles of all the bidder's principals (attach additional sheets if necessary). Principals include a bidder's board chair, president, chief executive officer, chief operating officer, and individuals who serve in the functional equivalent of one or more of those positions. Principals also include individuals who hold an ownership interest in the bidder of at least 20 percent and employees of the bidder who are authorized by the bid or proposal to represent the bidder before the City.</p>		
<div style="display: flex; justify-content: space-between;"><div>Name: _____</div><div>Title: _____</div></div> <div style="border-top: 1px solid black; margin-top: 5px;">Address: _____</div>		
<div style="display: flex; justify-content: space-between;"><div>Name: _____</div><div>Title: _____</div></div> <div style="border-top: 1px solid black; margin-top: 5px;">Address: _____</div>		
<div style="display: flex; justify-content: space-between;"><div>Name: _____</div><div>Title: _____</div></div> <div style="border-top: 1px solid black; margin-top: 5px;">Address: _____</div>		
<div style="display: flex; justify-content: space-between;"><div>Name: _____</div><div>Title: _____</div></div> <div style="border-top: 1px solid black; margin-top: 5px;">Address: _____</div>		
<div style="display: flex; justify-content: space-between;"><div>Name: _____</div><div>Title: _____</div></div> <div style="border-top: 1px solid black; margin-top: 5px;">Address: _____</div>		
<div style="display: flex; justify-content: space-between;"><div>Name: _____</div><div>Title: _____</div></div> <div style="border-top: 1px solid black; margin-top: 5px;">Address: _____</div>		
<div style="display: flex; justify-content: space-between;"><div>Name: _____</div><div>Title: _____</div></div> <div style="border-top: 1px solid black; margin-top: 5px;">Address: _____</div>		
<div style="display: flex; justify-content: space-between;"><div>Name: _____</div><div>Title: _____</div></div> <div style="border-top: 1px solid black; margin-top: 5px;">Address: _____</div>		

☐ Check this box if additional Schedule A pages are attached.

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FORM 55	Prohibited Contributors (Bidders)	Los Angeles City ETHICS COMMISSION
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Schedule B - Subcontractors and Their Principals

Please identify all subcontractors whose subcontracts are worth \$100,000 or more. Separate Schedule B pages are required for each subcontractor who meets the threshold.

Subcontractor's Name
Subcontractor's Address

Please check one of the following options:

This subcontractor has one or more principals. ☐ Yes* ☐ No

** Each principal's name and title must be identified below. Attach additional sheets if necessary. Principals include a subcontractor's board chair, president, chief executive officer, chief operating officer, and individuals who serve in the functional equivalent of one or more of those positions. Principals also include individuals who hold an ownership interest in the subcontractor of at least 20 percent and employees of the subcontractor who are authorized by the bid or proposal to represent the subcontractor before the City.*

Name: _____	Title: _____
Address: _____	

Name: _____	Title: _____
Address: _____	

Name: _____	Title: _____
Address: _____	

Name: _____	Title: _____
Address: _____	

Name: _____	Title: _____
Address: _____	

Name: _____	Title: _____
Address: _____	

☐ Check this box if additional Schedule B pages are attached.

Appendix C - Interview protocol

Regarding "pay-to-play" corruption in local elections- interview questions:

Thank you for taking the time to answer some of these questions regarding "pay-to-play" influence on local elections. As part of our MPP program at UC Berkeley's Goldman School, we, Minami Koyama, Theodore Sherbin and Bridget Cervelli, are working with Oakland's Public Ethics Commission on an analysis of local policy regulating campaign contributions and their larger work attempting to eliminate "pay-to-play" practices in Oakland's local elections.

Your answers will remain confidential and used only for a best practices analysis based in part on interviews we are doing with commissions and similar agencies throughout California. In our data analysis, interviews will be viewed by our three group members and faculty advisor.

Please don't hesitate to reach out with any questions or requests. We will send you a copy of our finished analysis upon completion in early May.

- Bridget Cervelli bridget_cervelli@berkeley.edu
- Theodore Sherbin teddy.sherbin@berkeley.edu
- Minami Koyama minami_koyama@berkeley.edu

Please feel free to skip any questions or provide any additional information we neglected to ask.

1. Is "pay-to-play" corruption something that you see as a significant problem in local elections?
 - a. How extensive is this problem in_____?
 - b. Are there notable patterns or characteristics to how this issue shows up most often in your community?
2. Will you please give a brief overview of the organization/commission you are a part of and its role in regulating "pay-to-play" influence in local elections?
 - a. Will you please summarize the local policies that have guided your work in this endeavor?
 - i. Have there been any major changes to these policies in the past few years? If so, did those changes impact the prevalence (or absence) of "pay-to-play" practices and influence?
 - ii. How about major changes to (the commission/agency) and how you operate? If so, did those changes impact the prevalence (or absence) of "pay-to-play" practices and influence?
3. What enforcement powers does the commission have?
 - a. Are these powers sufficient to prevent or address policy violations effectively?
 - b. Would you change anything about your current authority as a (commissioner) to determine and/or impose consequences for violations?

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4. Key/important points and context to understand about your commission, policy, political climate or anything else that impacts what you are able to do and how you are able to operate?
5. Do you think current local policies are sufficient to eliminate "pay-to-play" corruption in local elections?
 - a. Are there notable gaps in policy remedies? Ways that it has failed to address this kind of corruption?
 - b. How expansive are your local policies in their inclusion of individuals or organizations that are subject to these campaign finance regulations?
 - c. Do you think this is broad or narrow enough to capture the sources most responsible for this kind of corruption?
6. Which aspects of your local policy most empower you to effectively address "pay-to-play" influence on local elected officials?
 - a. How would you change current policies to be more effective in eliminating "pay-to-play" corruption?
 - b. What about changes that would help you to ensure comprehensive policy implementation?
7. What are a few of the most common ways that prohibited financial influence plays out in practical terms?
 - a. Can you provide any specific examples?
 - b. Are there patterns to the kind of organizations who most frequently violate?
 - c. Are their particular sectors harmed by these practices in your community?
8. How publicly accessible is the information about contractors, campaign contributions, policy violations, etc.?
 - a. What kind of community engagement do you encounter (if any) in the process of identifying and regulating "pay-to-play" practices?
 - b. What are some impacts these practices have on the local community that may be hard for people to understand or recognize?
9. Do you see this corruption as more of a problem from those seeking to purchase political influence, or from elected officials willing to sell it?
 - a. Do you think the pursuit of "pay-to-play" practices is prioritized appropriately in trying to eradicate government corruption?
10. Do you think that parties subject to these regulations understand and comply with those limits? If so, how do you make sure of this?
 - a. If non-compliance is an issue, is ignorance of the law proffered in explanation?
 - b. Is there anything that would help you keep track of/ensure regulated parties understand policies they are subject to?

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11. Do you have a system in place to identify and track individuals or organizations and campaign contributions that would be subject to limitations/regulation under current policies?
 - a. If so, is that system effective/comprehensive/transparent? If not, how do you detect violations?
 - b. If you could envision a database that would provide a clear picture of the information necessary to effectively monitor compliance and identify violations of current policies, what would that look like?
12. What role, if any, do you have in implementing SB 1439?
 - a. Have you received any guidance on this?
 - b. Do you have clarity regarding how SB 1439 will interact with local policies/practices?
 - c. Are there significant differences between local policy and SB 1439? Especially regarding the scope of parties subject to regulation and the extent of the regulatory period?
 - d. Do you have any concerns about the impact of SB 1439?
13. Do you have any interest in connecting with similar commissions/enforcement agencies in California? Do you think a network of connection with such agencies would be helpful for you in your work?

Appendix D - Los Angeles Sample Contribution Forms

Contributor Certification (Required)

Complete this portion if the contribution is from an INDIVIDUAL	<p>I certify that this contribution is from my personal funds.</p> <p>Name: _____</p> <p>Residence Address: _____ <small>Street/PO Box City State Zip Code</small></p> <p>Job Title: _____</p> <p>Employer / Name of Company: _____</p> <p><small>Your residence address is required for the candidate to receive a match of public funds. You may provide a different contact address instead, but it cannot be matched.</small></p> <p>Contact Address: _____ <small>Street/PO Box City State Zip Code</small></p>
Complete this portion if the contribution is from a BUSINESS*	<p>I certify that this contribution is from business funds.</p> <p>Business Name: _____</p> <p>Business Address: _____ <small>Street/PO Box City State Zip Code</small></p>

I certify the following:

- This contribution is not being made under a false name, is not being made under another person's name, has not been reimbursed, and will not be reimbursed.
- This contribution does not cause me to exceed my contribution limit of \$XXXX. I understand that all contributions I make to this candidate or committee must be cumulative. I understand that a contribution from another individual or entity whose contribution activity I control, such as a business that I own or control, must be aggregated with this contribution, and both contributions will be treated as a single contribution from me.
- I am a United States citizen or a lawfully admitted permanent resident (i.e., green card holder).
- I am not a lobbyist or lobbying firm that is prohibited from contributing under Los Angeles City Charter § 470(c)(11).
- I am not a bidder, sub-contractor, principal, or underwriting firm that is prohibited from contributing under Los Angeles City Charter § 470(c)(12) or 809(e).
- I am not a planning applicant, owner, or principal that is prohibited from contributing under Los Angeles Municipal Code § 49.7.37.

I certify under penalty of perjury under the laws of the City of Los Angeles and the state of California that all of the information in this contributor certification is true and correct.

Name

Date

Signature

Title (if signing for a business)

* If the contributor is a **limited liability company (LLC)**, please select and complete one of the following:

☐ The LLC qualifies as a recipient committee.
 Name of committee: _____ Name of principal officer: _____

☐ The LLC qualifies as a major donor committee or an independent expenditure committee.
 Name of responsible officer: _____

☐ The LLC does not qualify as a committee.
 Name of individual primarily responsible for approving contribution: _____

Contribution amount: ☐ \$500 ☐ \$500 ☐ \$250 ☐ \$100 ☐ Other: \$ _____

Contribution type: ☐ Cash (\$50 maximum) ☐ Check made payable to [committee name] ☐ Credit card

Name on Card: _____ Exp. Date: _____

Card Number: _____ Security Code: _____

Billing Address: _____

Email: _____ Phone: _____

[A disclaimer may be necessary if this qualifies as a campaign communication.]



Aggregate Contribution Verification

City law limits the amount that a single person may give to a single candidate for City and Los Angeles Unified School District Board of Education office. See Los Angeles City Charter §§ 470(c)(3)-(4), 803(b)(3), 803(c); Los Angeles Municipal Code § 49.7.3. To safeguard these limits, contributions made by two persons must be aggregated and treated as a contribution from a single person when one of the persons exerts a certain level of control over the other. Los Angeles Municipal Code § 49.7.4.

Candidate Name: _____

Committee Name & ID: _____

This verification addresses the following contributions:

	Contributor Name	Date of Contribution	Amount of Contribution
A			
B			

1. Please explain the nature of the relationship between Contributor A and Contributor B:

2. Please identify all other persons who controlled or participated in either contributor's decision to make the contributions:

3. Please select one of the following boxes:

- ☐ **Contributor A and Contributor B were related as follows at the time the contributions were made (check all that apply):**

- ☐ One of the contributors controlled the other's contribution activity.
- ☐ One of the contributors is a sole proprietorship owned by the other contributor.
- ☐ One of the contributors is a business entity (partnership, corporation, LLC, etc.) in which the other contributor owned an investment interest of 50% or more or held a majority of the voting rights.

(continued)

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- ☐ The contributors are a sponsored committee and its sponsoring organization.
 - ☐ The contributors are business entities, and the same individuals make up a majority of both entities' boards of directors or officers.
 - ☐ The contributors are business entities, and the same individuals hold a majority of the ownership or voting rights in both entities.
 - ☐ The contributors are business entities in a parent-subsidary relationship, and at least one of them is not publicly traded.
 - ☐ One of the contributors is a business entity, and the other contributor is an individual who is personally prohibited from making a contribution, participated in the entity's decision to make the contribution, and owns an investment interests of at least 20% in the entity.
 - ☐ One of the contributors is a committee, and the other contributor is an individual who is personally prohibited from making a contribution, participated in the committee's decision to make the contribution, and provided at least 20% of the committee's funding (either alone or in conjunction with other prohibited individuals).
- ☐ **Contributor A and Contributor B were not related as defined in Los Angeles Municipal Code § 49.7.4 at the time the contributions were made.**

I declare under penalty of perjury under the laws of the City of Los Angeles and the state of California that the statements in this document are true and complete.

Date: _____ Signature: _____

Name (printed): _____

Title / Position: _____

I am:

- ☐ Contributor A or Contributor A's representative
- ☐ Contributor B or Contributor B's representative

Item 4 - Presentation Slides and Report

Appendix E - Oakland's Suggested Contributor Card

Public Ethics Commission

Oakland Campaign Reform Act Guide 2022

APPENDIX III: SAMPLE CONTRIBUTOR CARD

[Insert Name of Candidate Committee and FPPC ID#]

Individual Contributor Verification Card

Amount of the Contribution: \$ _____ Date of the Contribution: _____

Type of contribution (check one): Monetary _____ In-kind _____

If in-kind contribution, please specify items contributed/services rendered: _____

Contributor Name (Print): _____

Street Address (no P.O. Boxes): _____

City/State/Zip: _____

For donors of at least \$100 (cumulatively), the following information is required:

Occupation: _____ Employer: _____

(If self-employed, provide the name of the business)

Please verify that your contribution is not a prohibited contribution by marking the box next to each item below:

- ☐ I am not contributing more than \$900 for this election. I understand that, for purposes of contribution limits, my personal contributions are aggregated with the contributions of a business in which I own a majority interest, and that contributions from multiple entities also are aggregated when the conditions are such that the entities:
- 1) share the majority of members of their board of directors;
 - 2) share three or more, or a majority of, officers;
 - 3) are owned or controlled by the same majority shareholder(s);
 - 4) are in a parent-subsidary relationship; or
 - 5) one entity finances, maintains, or controls the other entity's contributions or expenditures [OMC 3.12.080].
- ☐ I am not contracting or proposing to contract with the City or OUSD, currently or within the past 180 days, on a contract requiring approval by City Council, and I do not hold any of the following positions with an entity doing so:
- 1) board chair, president, chief executive officer, chief operating officer, chief financial officer, or the functional equivalent of one or more of those positions;
 - 2) owner with ownership interest of 20% or more; or
 - 3) employee, independent contractor, or agent of the entity who is authorized to represent the entity before the City or OUSD regarding the contract [OMC 3.12.140].

Signature required of all contributors:

I certify that this contribution is not prohibited under Oakland's Campaign Reform Act as specified above.

X _____
Contributor Signature Date