

CITY OF OAKLAND Public Ethics Commission



RESOLUTION NO. 23-07
[Proposed 10-11-23]

RESOLUTION RECOMMENDING THE CITY COUNCIL ADOPT AN ORDINANCE ADDING OAKLAND MUNICIPAL CODE CHAPTER 3.13 (THE LIMITED PUBLIC FINANCING ACT OF 2024) TO TEMPORARILY RESTORE PUBLIC FINANCING, OR A SUBSTANTIVELY SIMILAR ORDINANCE

By action of the Oakland Public Ethics Commission:

WHEREAS, on November 8, 2022, Oakland voters passed Measure W, which repealed Oakland Municipal Code Chapter 3.13, the “Limited Public Financing Act of the City of Oakland,” and replaced it with Oakland Municipal Code Chapter 3.15, the “Oakland Fair Elections Act,” which establishes the Democracy Dollars Program; and

WHEREAS, Section 3.15.060(E) of the Oakland Fair Elections Act mandates a minimum budget set aside for the Oakland Democracy Dollars Fund (“Fund”) and for non-staff costs for the Public Ethics Commission (“Commission”) to administer the Fund, and allows the City Council to suspend the aforesaid minimum budget set-asides for a fiscal year or two-year budget cycle, upon a finding in the budget resolution that the City is facing an extreme fiscal necessity as defined by City Council resolution, provided that the suspension is part of a general reduction in expenditures across multiple departments; and

WHEREAS, the City of Oakland was experiencing the largest general purpose fund shortfall in its history prior to the balancing actions contained in the Fiscal Years 2023-2025 budget; and

WHEREAS, in light of the extreme fiscal necessity the City was facing, the Council determined it was necessary to suspend the Charter-mandated minimum budget set-asides for the FY 2023-2025 budget cycle for the Democracy Dollars Fund and non-staff costs for the Commission to administer the Democracy Dollars Program; and

WHEREAS, Measure W anticipated that the Commission may not be able to implement the Democracy Dollars Program in the first election cycle following the measure’s passage, and provided in Section 3.15.050 of the Oakland Fair Elections Act that: “In the first election cycle following voter approval of this ordinance, the Commission may, by a vote of at least five (5) of its members, delay the implementation of the Program in part or in its entirety if the Commission is not able to meet all of the requirements of the Program as provided by this ordinance. In making this determination, the Commission should consider all possible alternatives to avoid delaying Program implementation in its entirety, including but not limited to partial implementation by issuing only mailed Democracy Dollars, or limiting the Program to only certain races, or changing Program components.”; and

WHEREAS, the Commission considered all possible alternatives to avoid delaying Democracy Dollars Program implementation in its entirety, including but not limited to partial implementation by issuing only mailed Democracy Dollars or limiting the Program to only certain races, but determined it could not do even a partial implementation for the 2024 elections. Furthermore, on July 12, 2023, the Commission voted, by a vote of 6-0, to postpone the distribution and use of Democracy Dollars vouchers for the November 2024 election; and

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WHEREAS, the Commission is working towards the full implementation of the Democracy Dollars Program for the 2026 elections; and

WHEREAS, Measure W anticipated that amendments to the measure may be appropriate to further the purposes of Democracy Dollars Program if they are recommended by the Commission. Section 3.15.230 of the Oakland Fair Elections Act provides that: “The City Council may make any amendments to this Act that: (1) are consistent with its purpose and approved by a two-thirds vote of the Councilmembers, provided that the Commission has first approved specific findings and recommendations by a two-thirds vote of the Commissioners that the City Council amend the Act”; and

WHEREAS, the City of Oakland has provided public financing to eligible candidates for City Council District office for over two decades; and

WHEREAS, the Commission finds that the elimination of all public financing for the 2024 election is contrary to the purposes of the Oakland Fair Elections Act; and

WHEREAS, the Commission finds that the temporary restoration of a limited public financing program for the 2024 election furthers the purposes of the Oakland Fair Elections Act by ensuring some type of public financing remains available while the Democracy Dollars Program is being established; and

WHEREAS, the Commission finds that the temporary restoration of a limited public financing program for the 2024 election furthers the purposes of building fairer elections, preventing corruption or its appearance, ensuring candidates can focus on communicating with all Oakland residents and considering policy issues rather than devoting excessive time to fundraising, ensuring that access to networks of wealthy contributors is not a prerequisite for candidates to run a competitive campaign, ensuring candidates participate in public debates, and ensuring candidates raise enough money to communicate their views and positions adequately to the public; and

WHEREAS, the Commission recommends that the City Council adopt an ordinance temporarily restoring a limited public financing program for the 2024 election ;

Now, therefore be it:

RESOLVED, that the Commission hereby recommends that the City Council adopt an ordinance temporarily restoring a limited public financing for the 2024 election; and be it

FURTHER RESOLVED, that, to implement this recommendation, the Commission hereby recommends that the City Council adopt an ordinance adding Chapter 3.13 of the Oakland Municipal Code, the Limited Public Financing Act of 2024, or a substantively similar ordinance, attached as Exhibit A.

CERTIFICATION RE: APPROVAL OF RESOLUTION

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The foregoing Resolution was presented for approval at a duly noticed meeting of the City of Oakland Public Ethics Commission held on October 11, 2023, where a quorum of the membership of the Commission was present. The Commission approved the resolution by a vote of ____ to ____.

AYES: GAGE, HILL, PERTEET, STEELE, UPTON AND CHAIR MICIK

NOES:

ABSTAIN:

ABSENT:

I hereby certify that the foregoing is true and correct.

Nicolas Heidorn, Executive Director
Oakland Public Ethics Commission

Date