

**ELK GROVE CHARTER EXPLORATORY AND ELECTION REFORM COMMITTEE
REGULAR MEETING
CITY COUNCIL CHAMBER, 8400 LAGUNA PALMS WAY
MONDAY, SEPTEMBER 24, 2007**

1. CALL TO ORDER / ROLL CALL

The Regular Committee meeting of September 24, 2007 was called to order by Chair Orrock at 6:00 p.m.

Present: Committee Members – Allen, Chaires, Orrock, and Perez

Absent: Committee Members – Loveland

(Assigned staff/Presenters)

Also Present: Lucy Eidam, Lance Olson, and Susan Blackston

2. PUBLIC COMMENT (on non-agenda items)

None.

3. APPROVAL OF MINUTES

MOTION/VOTE:

Committee Member Allen made a motion, Chaires second, to approve the September 10, 2007 minutes as presented. The motion carried by the following vote:

Ayes: Committee Members – Allen, Chaires, Orrock, and Perez.

Noes: Committee Members – None

Absent: Committee Members – Loveland

4. QUESTIONS AND ANSWERS

Follow up to September 10 presentation regarding Campaign Finance (Part 1 of 3):

There were no questions from Committee Members regarding the September 10 presentation.

PUBLIC COMMENT:

Shirley Peters, President of the Greater Sheldon Road Estates Home Owners Association, stated that she polled her members regarding their preference for district or at-large City Council Member elections and they overwhelmingly supported at-large elections. She stated that at-large elections are the most democratic system, because it allows all citizens to vote for all their local government representatives. She pointed out that decisions made for one district could affect the City overall. She recalled that, prior to Elk Grove's incorporation as city, the Elk Grove representative on the Sacramento County Board of Supervisors was often

unsuccessful in voting for issues that would have benefited Elk Grove. In addition, she felt that district elections would limit voting rights, which was at the core of why the citizens wanted to incorporate Elk Grove, i.e. for greater representation.

5. PRESENTATION

Topic: Part 2 of 3 Campaign Finance and Campaign Ethics (Limiting and/or Restricting Campaign Contributions/Expenditures)

Lance Olson, Senior Partner of Olson, Hagel & Fishburn, LLP, distributed and reviewed a document entitled “*Outline & Notes for Presentation on Campaign Finance Reforms, Part 2 of 3 (Disclosure, Limiting Contributions and Expenditures, Disclaimers, Ethics, Commissions, and Codes of Ethics)*” (filed).

Mr. Olson mentioned that the following topics would be reviewed at the October 8 meeting: Expenditure Limits, Limits on Independent Expenditures, Issue Ads, and Public Financing.

Lucy Eidam, President of Lucy & Company, displayed the following “characteristics” and asked for feedback from Committee Members regarding their advantages or disadvantages, to which responses are indicated below.

Characteristics for Disclosure

- All cities may enact registration requirements for local candidates and local committees so long as those requirements do not prevent candidates and committees from complying with state law.

Advantages: A city can tailor its laws to match its needs.

Disadvantages: The only laws a city can enact are those which are more restrictive than state law.

- Lowering local registration requirements below the thresholds in state law is not likely to capture activity by many more committees.

Advantages: It would capture one-time special purpose committees.

Disadvantages: It might be considered a waste of public resources.

- All cities may also enact laws requiring the itemized disclosure of receipts and expenditures by local candidates and local committees so long as they do not prevent candidates and committees from complying with state law.

Advantages: Provides more transparency and information to the citizens.

Disadvantages: Creates more paperwork and increased costs; people will find loopholes and figure out ways to get around the rule.

- Lowering the reporting thresholds for itemizing contributions and expenditures and requiring more frequent disclosure of such activity are two common ways that cities can improve public awareness of activity by political campaigns.

Advantages: Provides more transparency and information to the citizens.

Disadvantages: Creates more paperwork and increased costs; people will find loopholes and figure out ways to get around the rule.

- Requiring more frequent/more detailed disclosure of information by local candidates and local committees raises the costs of running local campaigns.

Advantages: Increasing information is always advantageous.

Disadvantages: May serve as another opportunity for candidates to unwittingly fail to comply with the rules; more expensive/more prohibitive to participate.

- By requiring local candidates and local committees to file their forms electronically, cities can increase public access to that information.

Advantages: Creates easy access to information for those with computers and particularly for younger citizens; is environmentally sound because it eliminates the need for transportation to physically appear to view documents and it decreases paper usage.

Disadvantages: No advantage for those without computer access.

- Electronic filing can be expensive for a city to implement and for candidates and/or committees to comply with.

Advantages: Is cost effective in the long-run; it is ultimately where technology is headed; is environmentally sound because it eliminates the need for transportation to physically appear to view documents and it decreases paper usage; is convenient and easier to comply with.

Disadvantages: Is more expensive in the short-term; the initial learning curve increases the probability of making mistakes.

Characteristics for Contributions

- All cities may impose contribution limits on contributions to local candidates so long as they do not violate the US Constitution (e.g., by being too low).

Advantages: A city can tailor its laws to match its needs.

Disadvantages: If limits were set too low, it could be legally challenged and would be expensive to defend.

- Contribution limits restrict the amount of support that persons and/or entities can give to candidates and/or committees for a particular election.

Advantages: In theory, it could force a candidate to broaden their base of support instead of focusing on large donors.

Disadvantages: It ultimately would not be successful because ways will be found to get around it.

- The lower the contribution limit, the more persons that a candidate or committee must receive contributions from in order to amass enough resources to run a campaign.

Advantages: In theory, it could force a candidate to broaden their base of support instead of focusing on large donors.

Disadvantages: It ultimately would not be successful because ways will be found to get around it.

- Higher contribution limits permit candidates and committees to obtain the resources to run a campaign through the support of fewer persons.

Advantages: Incumbents could focus on governing rather than campaign fundraising; candidates would recover expenses more quickly; candidates could focus more on communicating rather than fundraising.

Disadvantages: Higher contribution limits may exclude some from participating;

- Cities may also prohibit certain entities, including corporations and labor organization, from directly making contributions.

Advantages: Keeps large special interests out of the election process; it provides flexibility to tailor rules as needed to deal with issues that arise.

Disadvantages: May dissuade people/groups from participating in local government; is undemocratic and exclusionary; could be subject to a lawsuit and be expensive to defend.

6. NEW BUSINESS – Discussion Regarding the Committee’s Final Report to the City Council

Lucy Eidam asked each Committee Member whether they wished to include other topics (*in addition to those outlined in Resolution 2007-55*) in the final report to Council, to which each declined. Member Perez commented that he was satisfied

with the topics covered because campaign ethics was added as a subset to campaign finance reform.

Ms. Eidam noted that the Committee was provided with excerpts of City Council minutes from the meetings of December 13, 2006, February 14, 2007 and February 28, 2007, for the purpose of extracting information to use in the background section of the report. There was full consensus by the Committee to utilize this information for a background/historical section.

Vice Chair Chaires and Member Allen both emphasized the importance of the Committee preparing a conclusion to the final report.

Discussion ensued regarding the need to organize and prioritize the material in the final report to assist Council in analyzing the information. Member Perez suggested that a flow chart be used.

Ms. Eidam stated that a draft final report would be distributed to Committee Members for review and she encouraged that responses be sent via email prior to the next meeting.

7. ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 8:43 p.m.

ATTEST:

/s/ Susan J. Blackston
Chief Deputy City Clerk