

**City of San Jose Board of Fair Campaign and Political Practices
Ad Hoc Committee on Proposed Campaign Finance and Ethics Reforms
Status Update as of December 9, 2020**

Background

On July 28, 2020, the City Council referred a series of proposed campaign finance and ethics reforms for further study and evaluation by the Board of Fair Campaign and Political Practices (Board or BFCPP). At its next regular public meeting, the Board initiated its review of this referral on September 9, 2020.

Summary of Proposals from the City Council

In the original referral, the City Council proposed a series of campaign and ethics reforms as summarized below:

- Contribution Limits
Prohibit a Councilmember, including the Mayor, from accepting, soliciting, or directing a contribution of more than \$250.00 from any party or participant while a proceeding involving a license, permit, or other entitlement for use is pending before the City and for three months following the date a final decision is rendered.
- Conflicts of Interest
Prohibit a Councilmember, including the Mayor, from making, participating in the making, or in any way attempting to use his or her official position to influence the decision in a proceeding involving a license, permit, or other entitlement for use before the City if the member of the Council has willfully or knowingly received a contribution in an amount of more than \$250.00 within the preceding twelve months.
- Lobbyists and City Contractors
 - Registered Lobbyists are prohibited from making a campaign contribution to a candidate for City office.
 - Registered Lobbyists, Contractors of the City, or any direct beneficiary of a City contract are prohibited from giving any gift, as defined under the Political Reform Act, to a City official.
 - Prohibits any registered lobbyist from serving on a Board or Commission within two years of any lobbying activity and any person with a contract with the City from serving on a Board of Commission within two years of expiration or termination of the contract.

Last Action of the Board

At the Board's last regular meeting on October 14, 2020, after deliberation between the Board and city staff, Chair Gonzales created an ad hoc committee to continue progressing the research on these policy matters as directed by the Board. Due to the Board's current composition of five

seats, with two seats being currently vacant, the ad hoc is comprised solely of Chair Gonzales at this current time to abide by Brown Act transparency laws. When additional seats are filled, an additional board member will be assigned to assist with this ongoing ad hoc assignment.

At the October meeting, the Board agreed that it is important to understand whether the proposed campaign finance and ethics measures are addressing specific problems that are actually occurring. The Board decided to start by compiling an inventory of what records may exist to assess the prevalence of problems identified in the proposed campaign finance and ethics measures.

Summary of Proposed Research Methodology

Proposed research methods and an inventory of data or documents needed to complete each research task is summarized in the following table for each of the proposed ethics reforms.

Proposed Measure	Questions to Resolve	Proposed Methodology	Materials Needed
Contribution Limits - Prohibition of campaign contributions above \$250 from parties with business before the Council.	To what extent are parties with interests before the council contributing to councilmembers? What is the range and average contribution? Are these contributions observable within a reasonable time frame from of a significant decision or vote?	Review a sampling of significant contracts, developments, or other policy matters voted on in recent past and research whether parties with vested interests in those contracts or decisions made contributions to councilmembers.	Campaign Finance Reports, Forms 460, etc. from the City Clerk's Office
Conflicts of Interest - Prohibit councilmembers from influencing or participating in a decision if the councilmember has received more than \$250 in the past 12 months from an interested party.	To what extent are parties with interests before the council contributing to councilmembers? What is the range and average contribution? Are these contributions observable within a reasonable time frame from of a significant decision or vote?	Review a sampling of significant contracts, developments, or other policy matters voted on in recent past and research whether parties with vested interests in those contracts or decisions made contributions to councilmembers.	Campaign Finance Reports, Forms 460, etc. from the City Clerk's Office

Lobbyists and City Contractors, Contributions - Registered lobbyists are prohibited from making a campaign contribution to a candidate for City office.	To what extent are lobbyists making campaign contributions to city candidates? What is the range and average contribution?	Cross reference the index of registered lobbyists with campaign finance disclosure reports to determine to what extent lobbyists are contributing to candidates.	(1) Campaign Finance Reports, Forms 460, etc. from the City Clerk's Office. (2) List of Registered Lobbyists from City Clerk's Office. (3) Lobbyist Registration Form Schedule A - Contributions, Expenditures, etc. from City Clerk's Office.
Lobbyists and City Contractors, Gifts - Registered lobbyists, city contractors are prohibited from giving any gift to a city official.	To what extent are lobbyists or contractors giving gifts to city officials?	Cross reference the index of registered lobbyists with Statements of Economic Interest from all elected officials and sampling of other high level city officials. Determine whether disclosed gifts on the Statements of Economic Interest might be originating from contractors.	(1) List of Registered Lobbyists from City Clerk's Office. (2) Lobbyist Registration Form Schedule A - Contributions, Expenditures, etc. from City Clerk's Office. (3) Form 700 Statements of Economic Interest. (4) An index of city contractors.
Lobbyists and City Contractors, Revolving Door - Registered lobbyists are prohibited from serving on a board of commission within two years of any lobbying activity. Contractors are prohibited from serving within two years of an expiration of a contract.	To what extent are lobbyists or contractors serving on city boards and commission after previously lobbying or working with the city?	Evaluate the application files of new board and commission members from the past few years to determine to what extent applicants and appointees were former lobbyists or contractors.	(1) Board member applications from the City Clerk's Office. (2) List of Registered Lobbyists from City Clerk's Office. (3) An index of city contractors.

Based on feedback from the Board and city staff, the ad hoc committee aims to begin studying these issues with assistance from the offices of the City Clerk and City Attorney in between regular Board meetings. Status update reports will be provided at each meeting.