



Memorandum

TO: CITY COUNCIL

**SUBJECT: APPROVAL OF ADJUSTED
CAMPAIGN CONTRIBUTION
LIMITS**

FROM: Toni J. Taber, CMC
City Clerk

DATE: July 24, 2019

RECOMMENDATION

Adopt the resolution approving the campaign contribution limits adjusted in accordance with San José Municipal Code Section 12.06.210.D.

OUTCOME

Approval of the recommendation will update the campaign contribution limits to adjust for any cost of living increase, as required under Section 12.06.210.D, for the Primary Municipal Election on March 3, 2020 and the Run-off Municipal Election on November 3, 2020.

If the resolution is adopted, the contribution limit for candidates running for City Council in 2020 will remain at \$600.00 per donor. The post-election contribution limit, which adjusts with the Mayoral contribution limit, will increase from \$1,200.00 per donor to \$1,300.00 per donor. (See SJMC § 12.06.210.D.2.)

BACKGROUND

On March 5, 2019, the City Council adopted Ordinance 30231 amending section 12.06.210 of Title 12 of the San José Municipal Code (SJMC) in response to the State moving up the statewide primary election to March of even numbered years.

As amended, Section 12.06.210.D directs the City Clerk to determine 280 days before the regularly scheduled primary municipal election if the cost of living, as shown on the Consumer Price Index (CPI) for the San Francisco-Oakland-Hayward area, has increased during the “adjustment period.” The “adjustment period” is the CPI reported for the month of December 2010 and the CPI reported for the month that is at least two hundred and eighty days (280) days before the regularly scheduled primary municipal election. If the CPI has increased for the applicable “adjustment period,” the City Clerk must multiply the current contributions limits by the percentage increase for the adjustment period. If the calculation results in an amount that is higher than the previously established contribution limits, when rounded to the nearest \$100.00, the City Clerk is to recommend that the City Council adopt a resolution adjusting the

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contribution limits. If the Council adopts the resolution, the City Clerk is to publish the adjusted contribution limits at least 190 days before the regularly scheduled primary municipal election.

ANALYSIS

On May 28, 2019, 280 days before the March 3, 2020 election, the City Clerk accessed the reported CPI through the Bureau of Labor Statistics: https://www.bls.gov/regions/west/news-release/consumerpriceindex_sanfrancisco.htm. The CPI change is calculated by subtracting the CPI from December 2010 from the current CPI, then dividing to find the percentage change. That percentage change is then applied to the base contribution limit of \$500.

CPI Change

<u>CPI for April 2019</u>	<u>294.801</u>
<u>Less CPI for December 2010</u>	<u>227.658</u>
<u>Equals index point change</u>	<u>67.14</u>
<u>Divided by December 2010 CPI</u>	<u>227.658</u>
<u>Equals</u>	<u>29.49%</u>

Contribution Limits

Base Amount	Base Amt	CPI % Change	Base + CPI Change	Rounded to nearest \$100
Councilmember	\$500	29.49%	\$647.465	\$600
Mayor & Post-Election Contribution Limit	\$1000	29.49%	\$1294.929	\$1300

EVALUATION AND FOLLOW UP

Pursuant to San José Municipal Code 12.06.210.D.3, if the Resolution is adopted, the City Clerk will publish a notice of the updated contribution limits in the paper at least 190 days before the primary municipal election.

PUBLIC OUTREACH

This item will be published with the agenda for August 6, 2019 which is publicly available on our website.

COORDINATION

This memo was coordinated with the City Attorney's Office.

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COMMISSION RECOMMENDATION/INPUT

The Board of Fair Campaign and Political Practices reviewed the proposed amendments to San Jose Municipal Code Section 12.06.210 on August 8, 2018, but did not review the City Clerk's calculation of the adjusted contribution limits.

CEQA

CEQA: Not a Project, File No. PP17-010, City Organization & Administrative Activities resulting in no change to the physical environment.

A handwritten signature in blue ink, appearing to read "Toni J. Taber", is written over a light blue rectangular background.

TONI J. TABER, CMC
City Clerk

For questions please contact Toni J. Taber, City Clerk, at (408) 535-1260.