#### MEMORANDUM

DATE: September 2, 2005

TO: City Council Members

FROM: Russell Weeks

**RE:** Housekeeping Amendments – Campaign Financial Disclosure Ordinance

CC: Cindy Gust-Jenson, Rocky Fluhart, Ed Rutan, Ken Cowley, Gary Mumford, Boyd

Ferguson, Sonya Kintaro

This memorandum pertains to housekeeping amendments to Chapter 2.46 titled Campaign Financial Disclosure.

## **OPTIONS**

- Adopt the proposed amendments.
- Do not adopt the proposed amendments.

## **POTENTIAL MOTIONS**

- I move that the City Council adopt the ordinance amending certain sections of Chapter 2.46.
- I move that the City Council consider the next item on the agenda.

## BACKGROUND/DISCUSSION

As the Administration transmittal letter says, most of the proposed amendments would correct "scrivener's errors" involving the numbering or alphabetizing of references to sections of the existing ordinance.

Another proposed amendment would change the wording in the last sentence of Section 2.46.140 titled *Computation of Time* to read: "When the period of time prescribed or allowed is ten days <u>or less</u>, intermediate Saturdays, Sundays, and legal holidays shall be excluded from the computation." Currently, the sentence reads: "When the period of time prescribed or allowed is <u>less than</u> ten days, intermediate Saturdays, Sundays, and legal holidays shall be excluded from the computation."

**DATE:** August 26, 2005

# <u>S'AVII' LAKE; GHIY CORPORATION</u>

BOYD A. FERGUSON

LAW DEPARTMENT

**ROSS C. ANDERSON** EDWIN P. RUTAN, II

#### COUNCIL TRANSMITTAL

TO:

Rocky J. Fluhart,

Chief Administrative Officer

FROM:

Edwin R. Rutan, II

City Attorney Boyd A. Ferguson Senior City Attorney

SUBJECT:

Campaign Financing Disclosure Ordinance – Housekeeping Amendments

The ordinance makes housekeeping amendments to the recently amended Campaign Financing Disclosure Ordinance to correct certain erroneous section cross-references and to correct the section about computing time in order to make

the computation of time work with the requiring filing dates.

STAFF CONTACT:

Sonya Kintaro, 535-6225

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**DOCUMENT TYPE:** 

Ordinance

#### BUDGET IMPACT:

The proposed amendments will have no impact on the budget.

#### BACKGROUND/DISCUSSION:

On June 14, 2005 and July 7, 2005 the City Council adopted amendments to the Campaign Financing Disclosure Ordinance, Salt Lake City Code Chapter 2.46. Among other things, the amendments added new definitions and made changes necessary to conform the ordinance to new requirements required by state statute. Those amendments resulting in the re-numbering of certain sections that were cross-referenced elsewhere in the ordinance.

In the process of administering the amended ordinance, some scrivener's errors were noticed in certain section cross-references that should be corrected to avoid confusion for candidates. Also, the section about computing time should be changed in order to make the computation of time work with the requiring filing dates.

# Campaign Financing Disclosure Ordinances

#### **RECOMMENDATION:**

The City Attorney's Office recommends adoption of the amendments to the campaign financing disclosure ordinance as a means of correcting erroneous section cross-references and to make the computation of time work with the requiring filing dates.

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#### SALT LAKE CITY ORDINANCE

No. of 2005

(Campaign Financing Disclosure)

AN ORDINANCE AMENDING CERTAIN SECTIONS OF CHAPTER 2.46 OF THE SALT LAKE CITY CODE, RELATING TO CAMPAIGN FINANCING DISCLOSURE.

Be it ordained by the City Council of Salt Lake City, Utah:

SECTION 1. That Subsection 2.46.010C of the Salt Lake City Code, relating to the Campaign Financing Disclosure, be, and the same hereby is, amended as follows:

- C. "Contribution" means:
- 1. A gift, subscription, donation, loan, advance, or deposit of money or anything of value, including nonmonetary contributions such as in-kind contributions and contributions of tangible things, except a loan of money by a financial institution made in accordance with the applicable financial institution laws and regulations and in the ordinary course of business, made for political purposes;
- 2. A contract, promise or agreement, express or implied, whether or not legally enforceable, to make a contribution described in subsection <u>BC</u>1 of this definition;
- 3. A transfer of funds between a political committee and a candidate's personal campaign committee;
- 4. Compensation paid by a person other than the candidate's personal campaign committee for personal services of another person rendered without charge to the candidate or such candidate's personal campaign committee; and
  - 5. A coordinated expenditure; but

6. "Contribution" shall not include personal services provided without compensation by individuals volunteering their time on behalf of a candidate or such candidate's personal campaign committee.

\* \* \*

SECTION 2. That Subsection 2.46.010H of the Salt Lake City Code, relating to the Campaign Financing Disclosure, be, and the same hereby is, amended as follows:

\* \* \*

- H. "Expenditure" means:
- 1. A purchase, payment, donation, distribution, loan, advance, deposit, or gift of money or anything of value made for political purposes;
- 2. A contract, promise or agreement, express or implied, whether or not legally enforceable, to make an expenditure described in subsection FH1 of this definition; or
- 3. A transfer of funds by a political committee to another political committee or to a candidate's personal campaign committee.

\* \* \*

SECTION 3. That Subsection 2.46.090A of the Salt Lake City Code, relating to the Campaign Financing Disclosure, be, and the same hereby is, amended as follows: 2.46.090 Financial Reporting:

- A. Personal Campaign Committees.
- 1. Each personal campaign committee shall file with the city recorder a campaign finance statement containing the information required in this section, on the following dates:
  - (a) June 1 of any election year;

- (b) September 1 of any election year;
- (c) Except as provided in subsection <u>BA2</u> of this section, seven (7) days prior to any general or primary election conducted by the city;
  - (d) Not later than thirty (30) days after the date of the general election; and
  - (e) On February 15 of every year unless a termination report has been filed with the city recorder as provided by subsection A(8) of this section or its successor.

Notwithstanding the foregoing provisions of this subsection A1, the personal campaign committee for a candidate shall be required to file a campaign finance statement on the dates specified in this subsection only during an election year in which the elective office that such candidate seeks is open for election.

- 2. The personal campaign committee for each candidate who is eliminated at a primary election shall file with the city recorder a campaign finance statement not later than thirty (30) days after the primary election. Personal campaign committees for candidates who lose at a primary election need not file a campaign finance statement seven (7) days prior to the general election pursuant to subsection A1(c)3 of this section.
- 3. During the seven (7) day period before any election, each personal campaign committee shall file with the city recorder a verified report of each contribution over five hundred dollars (\$500.00) within twenty four (24) hours after receipt of each such contribution. Such report shall contain the information required by subsection  $\underline{A4(\underline{b4})(2)(\underline{A})}$  of this section.
  - 4. Each campaign finance statement shall:

- (a) Contain a summary of contributions and expenditures reported in previously filed campaign finance statements during the calendar year in which the statement is due;
  - (b) Except as provided in subsection  $\underline{A4}(c)$ :
    - (1) report all of the committee's or candidate's itemized and total:
      - (A) contributions during the election cycle as of the reporting date; and
      - (B) expenditures during the election cycle as of the reporting date; and
    - (2) identify:
      - (A) for each contribution in excess of fifty dollars (\$50), the amount of the contribution, the name and address of the donor, and the date the contribution was made;
      - (B) the aggregate total of all contributions that individually do not exceed fifty dollars (\$50); and
      - (C) for each expenditure, the amount of the expenditure, the name of the recipient of the expenditure, the date the expenditure was made, and the purpose of the expenditure; or
- (c) Report the total amount of all contributions and expenditures if the committee or candidate receives five hundred dollars (\$500) or less in contributions and spends five hundred dollars (\$500) or less on the candidate's campaign.

- 5. Each campaign finance statement shall contain a statement by the secretary or by the chairperson of the committee to the effect that:
- (a) All contributions and expenditures not theretofore reported have been reported;
- (b) There are no bills or obligations outstanding and unpaid except as set forth in the campaign finance statement;
- (c) The campaign finance statement represents a good faith effort by the committee to comply with the provisions of this chapter; and
- (d) The information contained in the campaign finance statement is, to the best knowledge of the committee, true, accurate and complete.
- 6. In the event the personal campaign committee had no contributions or expenditures during the calendar year, the campaign finance statement shall state that no contributions were received and no expenditures were made during that calendar year.
- 7. Within thirty (30) days after distribution of any surplus campaign funds and/or the payment or compromise of all debts, a personal campaign committee shall file a campaign finance statement with the city recorder. The campaign finance statement shall state the amount of such surplus and the name and address of any recipient of such surplus, and shall identify any debt which was paid or compromised and the name and address of any person to whom any debt was paid or compromised.
- 8. In the event a personal campaign committee has permanently ceased operations, the secretary or chairperson of the committee shall file a termination report with the city recorder certifying that the personal campaign committee has permanently ceased operations.

- 9. The requirements of this chapter shall not be construed to abrogate the necessity of making any other reports or disclosure required by law.
- 10. With respect to contributions received and expenditures made prior to the effective date hereof, the first campaign finance statement filed pursuant to this section need only contain the information required by this section to the extent such information is known by the personal campaign committee that files such campaign finance statement.

SECTION 4. That Subsection 2.46.110B of the Salt Lake City Code, relating to the Campaign Financing Disclosure, be, and the same hereby is, amended as follows:

B. Notwithstanding subsection (A), a candidate who files a campaign finance statement seven (7) days before a general election is not disqualified if:

- 1. the statement details accurately and completely the information required under section 2.46.090(A)(4), except for inadvertent omissions or insignificant errors or inaccuracies; and
- 2. the omissions, errors, or inaccuracies are corrected in an amended report or in the next scheduled report.

SECTION 5. That Section 2.46.140 of the Salt Lake City Code, relating to the Campaign Financing Disclosure, be, and the same hereby is, amended as follows:

#### 2.46.140 Computation Of Time:

In computing any period of time prescribed or allowed by this chapter, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday, or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, a Sunday, or a legal holiday. When the period of time prescribed or allowed is less than ten (10) days or less, intermediate Saturdays, Sundays, and legal holidays shall be excluded from the computation.

SECTION 6. That this ordinance shall take effect immediately upon the date of its first publication.

Passed by the City Council	of Salt Lake City, Utah this	day of
, 2005.		
ATTEST:	CHAIRPERSON	
CHIEF DEPUTY CITY RECORDER		
CHIEF DEFOTT CITT RECORDER		
Transmitted to Mayor on	·	
Mayor's Action:Approv	vedVetoed.	
	MAYOR	
CHIEF DEPUTY CITY RECORDER		
(CE AT )		
(SEAL)		
Bill No of 2005. Published:		

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