

Santa Monica city elections reform proposal

Submitted for public review and discussion  
by  
VOTE4SM, a Santa Monica citizen electoral reform coalition

Produced with the assistance of  
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## **Introduction**

A key concern voiced at the May 14, 2007 Santa Monica City-sponsored workshop on improving elections in Santa Monica was how to reduce the influence of outside special interests on city elections. In recent years, campaigns for Santa Monica city office have seen an upsurge in large independent expenditures. Many of these expenditures come from outside the community, which means that the individuals and political action committees investing in local elections are not accountable to Santa Monica residents and voters.

Adopting a voluntary system of full public financing of political campaigns for elected offices would help control and contain this trend. Under a full public financing program, candidates for City Council would be eligible to receive sufficient public funds to run viable campaigns.

To qualify for public funding, candidates must receive a set number of \$5 qualifying contributions and signatures from registered voters to show that they have a broad base of support. Publicly funded candidates must agree to spending limits and take no private contributions other than limited seed funds that can only be used to qualify. Candidates will not be allowed to raise or spend additional money beyond what they receive from the fund. Publicly funded candidates receive enough baseline public funds to run competitive campaigns. If the participating candidate is outspent by an opponent who does not participate or if independent groups run ads or mailings attacking them or supporting their opponent, they receive matching funds within days to effectively respond.

A system of publicly funded election campaigns enables more candidates, including more minorities and women, to run viable campaigns. It levels the playing campaign field, promotes more competitive elections, discourages negative campaigns, and reduces the cost of election campaigns.

The following proposal for Santa Monica is modeled on similar full public financing systems in place in Portland (OR), Albuquerque (NM), Arizona and Maine, and has been customized to reflect extraordinary existing local involvement, and electoral safeguards already in place for Santa Monica City Council elections.

## **Program Outline**

### **Eligibility**

Potential Participating candidates must declare themselves eligible for public financing with the city clerk's office prior to the start of the Qualifying Period.

### **Qualifying Contributions**

Participating candidates who have properly declared themselves eligible for public financing must gather qualifying contributions of \$5 from 1% of the registered voters in Santa Monica. As of 2006, 57,455 residents of Santa Monica were registered to vote. Assuming that number does not change, clean candidates need contributions from 575 *different* registered voters to be processed and verified in order to receive an allotment of public funds. Qualifying contributions *must be* in the form of \$5 to enable the participation of all residents. Registered voters are allowed to give qualifying contributions to more than one person. However, citizens will not be allowed to give qualifying contributions to more candidates than are open city council seats in that election cycle. If a citizen gives qualifying contributions to more candidates than are open city council seats, valid contributions will be discerned by the date of acquisition. *All* qualifying contributions must be deposited into the clean elections fund, even if the contribution is in support of a candidate that does not eventually raise the required number of contributions necessary for public financing.

### **Qualifying Period**

Eligible candidates will be allowed to gather qualifying contributions from May 1<sup>st</sup> to July 31<sup>st</sup> of election year. Council is recommended to move the filing date to before the start of the qualifying period.

### **Seed Money**

Seed money contributions are limited to \$100 per donor and must not exceed a cumulative amount above \$1,000. This money is to be raised before the qualifying period and can only be used to gather qualifying contributions in accordance with the seed money guidelines set forth by the Clean Elections Commission. Those who give seed money contributions *can* also give qualifying contributions as long as they are a Santa Monica resident/registered voter. An eligible candidate is not allowed to loan his/her self seed money.

### **In-kind Contributions**

In-kind contributions are limited to \$100 per donor per eligible candidate. In-kind contributions cannot pass a cumulative amount of 10% of the initial grant. (\$4,000)

### **Initial Grant**

Having raised the appropriate number of qualifying contributions, proven an adherence to the conduct required of an eligible candidate, and having had the appropriate number of qualifying contributions validated, the eligible/participating candidate will receive an initial grant of public funds. Money is granted as soon as possible, and is not restricted until after the qualifying period. An initial grant of \$40,000 is recommended for the 2008 election.

### **Matching Funds**

#### **1) Non-participating candidate's committees**

Non-participating candidates can spend up to the initial grant limit (\$40,000), without repercussion. For every dollar spent above the initial grant amount, each participating candidate will receive a dollar-for-dollar grant up to the individual participating candidate's matching fund cap. (2.5 X the initial grant; \$100,000)

#### **2) Independent Expenditures**

##### **A. Independent Expenditures supporting any candidate**

Independent expenditures in support of a participating or non-participating candidate over a cumulative amount of \$15,000 from all sources triggers dollar-for-dollar matching funds of the amount above the \$15,000 threshold to all participating candidates who did not benefit from the expenditure.

##### **B. Independent Expenditures opposing participating candidates**

*Any* independent expenditure made in opposition to a participating candidate results in dollar-for-dollar matching funds granted solely to the attacked candidate.

### **3) Matching Funds Cap**

The maximum amount of total public funds a participating candidate can receive including matching funds shall be no more than 2.5 X the initial grant. (\$100,000)

### **Disclosure**

In order to provide an effective clean money system, full and timely disclosure of campaign and independent expenditures for all candidates is absolutely necessary. Expenditures *must be* reported within 24 hours of the time the expense is *incurred*. Matching funds *must be* made available to the appropriate participating candidate within 24 hours of the expenditure being reported. A coherent posting of all expenditures, organized by candidate, by Independent Expenditure committee, should be available for the general public in real-time.

### **Clean Elections Commission**

The public financing system requires that a commission made up of city staff and/or volunteers be set with the responsibility of evaluating the clean elections system after each election cycle. The commission would identify possible abuses of the system as well as make adjustments to the eligibility requirements, required percentage of qualifying contributions, the initial grant amount, and the unmatched independent expenditure window amount.