



Memorandum

TO: CITY COUNCIL

FROM: Mayor Chuck Reed

SUBJECT: CAMPAIGN FINANCE MEMO

DATE: October 14, 2009

Approved

Date

RECOMMENDATION

Accept the recommendations from the Elections Commission and the City Clerk with the following modifications:

- a) Implement the new contribution limits on January 1, 2011.
- b) Continue the reporting requirements for contributions of less than \$100.

BACKGROUND

Although it is necessary to change the contribution limits to ensure our Ordinance can withstand a constitutional challenge as described in the City Attorney's Supplemental Memo, the changes should not be made in the middle of an election cycle. Making the changes effective January 1, 2011 would put them in place well before the 2012 election cycle and would give everyone ample notice of the new limits.

Reporting contributions of under \$100 is not required by state law, but our Ordinance adds this requirement to make money laundering more difficult. Large anonymous cash contributions, although illegal, could be hidden in the "less than \$100" category. Without reporting requirements, it would be difficult for the public to follow the money because records for those contributions would not be public records.