



AGENDA REPORT



TO: Honorable Mayor & City Council

FROM: Council President Kevin Jenkins and Councilmembers Janani Ramachandran and Ken Houston

SUBJECT: Campaign Reform Act: Temporary Increase In Contribution Limits

DATE: May 15, 2025

RECOMMENDATION

Councilmembers Janani Ramachandran, Kevin Jenkins, and Ken Houston recommend that the City Council:

Adopt an Ordinance Amending the Oakland Campaign Reform Act (Oakland Municipal Code Title 3, Municipal Elections, Article III, Chapter 3.12), To Add Section 3.12.045 to Temporarily Increase Contribution Limits for Candidates and to Amend Section 3.12.150 to Increase Officeholder Fund Limits and Amending the Limited Public Financing Act of 2024 (Oakland Municipal Code Title 3, Municipal Elections, Article III, Chapter 3.13), To Amend Sections 3.13.060 and 3.13.265 to Extend the Limited Public Financing Act to Apply to 2026 and 2028 General Elections

EXECUTIVE SUMMARY

The proposed legislation seeks to make the following changes to the Oakland Campaign Reform Act in order to grant smaller, grassroots political candidates a level playing field during the future election cycles of 2026 and 2028:

- 1) **Increases the contribution limits for candidates** – currently as of January 29, 2025, candidates running for City of Oakland and Oakland Unified School District offices can accept a maximum of \$650 in contributions from individuals and organizations and a maximum of \$1300 in contributions from broad-based political committees. *This ordinance seeks to increase these limits to \$900 for individuals and \$1800 for political committees.*
- 2) **Increases officeholder fund limits** – currently for school board members, district City Councilmembers, and City Auditor the limit for funds contributed to an officeholder account is \$25,000; for City Councilmembers At-Large and City Attorney the limit is \$30,000; and for the Mayor the limit is \$50,000. *This ordinance proposes to raise the contribution limits to \$75,000 for District Councilmembers, and \$100,000 for City Auditor, Councilmember At-Large, City Attorney, and Mayor.*
- 3) **Extends the Limited Public Financing Act** – under the 2022 Oakland Fair Elections Act, Limited Public Financing was eliminated, with the understanding that the Democracy Dollars

Program would be implemented. However, due to ongoing budgetary constraints, this program has been on hold. In the 2024 election cycle, the Limited Public Financing Program was reinstated for 2024 only. *This ordinance would allow City Council to fund a Limited Public Financing Program for candidates in the 2026 and 2028 elections, subject to appropriation in the budget.*

REASON FOR SUPPLEMENTAL OR REPLACEMENT *(If Applicable)*

The title of the ordinance was updated at the May 15th Rules and Legislation Committee to better reflect the intent of the proposal. This supplemental provides updated information and additional evidence to support the proposed legislation.

BACKGROUND / LEGISLATIVE HISTORY

Prior to the passage of Measure W, which, among other things, created the [Oakland Fair Elections Act](#), Oakland regulated contribution limits for candidates running for elected office through limiting total campaign expenditures. For candidates who agreed to voluntary expenditure limits, individual and broad-based committee contribution limits were higher than for candidates not accepting the expenditure limits. In 2022, the general contribution limits for candidates not accepting expenditure limits was \$200, versus \$900 for candidates who accepted the limits (after consumer price index adjustments). The committee contribution limits were \$400 for candidates not accepting expenditure limits, and \$1800 for candidates accepting limits. These expenditure limits could be lifted for all candidates if any candidate not accepting the limits either accepted contributions or made payments equal to 50% of the limit.

When Measure W was adopted in 2022, voters approved the creation of a program called Democracy Dollars, which would give \$100 to eligible Oakland voters to donate to the campaign of their choice. In conjunction with this, campaign contribution limits were lowered - to \$600 and \$1200 for individuals and broad-based committees, respectively - to offset the additional funds candidates would receive from the Democracy Dollars program. These limits were adjusted for inflation in January 2025 to \$650 for individual and \$1300 for broad-based committee contributions.

The goal of this program was to expand opportunities to all Oakland residents, especially those without the means to contribute large donations to candidates during an election cycle. This was intended to further the democratic process and allow candidates to receive more grassroots support from everyday residents, as opposed to large political committees and lobbyist groups. However, this program has to date never been fully funded or implemented due to the City's fiscal situation over the last two budget cycles.

Campaign Contribution Limits

The proposed amendment to the Oakland Campaign Reform Act seeks to *temporarily* raise individual contribution limits back to the 2022 levels of \$900, and the broad-based committee contribution limits to \$1800 for any individual election until Democracy Dollars is implemented for

that respective election. This temporary increase of contribution limits will sunset – regardless of whether or not Democracy Dollars is implemented, in June 2029. The goal of this ordinance is to bridge the gap in potential funding sources for candidates due to the present unavailability of Democracy Dollars Program, and severely curtailed funding for the Limited Public Financing Program. The contribution limit increase would only apply to candidates who have accepted voluntary expenditure limits.

This ordinance is in line with the spirit of Measure W and the [Oakland Campaign Reform Act](#) (OCRA), which Measure W amended in 2022. While this Measure reduced candidate contribution limits (to \$600 for individual contributions and \$1200 for committee contributions), it did so with the hope that a fully funded Democracy Dollars program would be implemented. Unfortunately, this program was not available during the 2024 election cycle, or the 2025 special election, and will likely not be available in the 2026 election due to continued budget constraints. Given the delay, this amendment would increase candidates' ability to fundraise independently, without reliance on powerful independent expenditures - consistent with the measure. With the ability to accept slightly larger donations, candidates will be able to dedicate more time that would be spent on fundraising to instead focus on community engagement and voter outreach.

As required by OCRA, in January 2025, the Public Ethics Commission increased contribution limits to reflect changes in cost of living. The maximum contribution limit is now \$650 for individuals or organizations and \$1300 for broad-based political committees¹.

Influence of Independent Expenditures

With the rise in Independent Expenditures influencing local elections through flashy mailers, ads, and media campaigns, it is becoming increasingly difficult for smaller, lesser-known candidates to achieve broad name-recognition and effectively reach all the voters in their district. For example, in the 2024 election, some candidates received support of over \$250,000 from Independent Expenditures – giving these candidates a boost in name recognition and exposure that did not come at the expense of individual campaigns.

In the recent Special Election, independent expenditures were even more out of control, with a lack of transparency about where the money was coming from. Some candidates were supported by astroturf groups connected to wealthy individuals and corporations, which poured significant funding into this competitive race and had virtually no accountability to established campaigns².

The goal of this legislation is to uplift candidates' own ability to spread their own message and diminish the adverse impact of independent expenditures, which candidates do not control. Implementing increased contribution limits goes a long way in ensuring that lower-profile, grassroots candidates have a level playing field on the campaign trail. Even a difference of \$300 could mean the difference in paying one additional bilingual canvasser for one week to reach low-propensity voters in neighborhoods that are typically left out or unengaged in the political process.

Comparison to Other Cities

¹ <https://www.oaklandca.gov/topics/recent-campaign-rules>

² <https://www.phoenixprojectnow.com/phoenix-review/blog/recall-groups-spend-big-to-elect-oakland-mayoral-candidate-loren-taylor>

Several other cities in California currently have greater contribution limits, including Sacramento, Fresno, and Hayward. Both Fresno and Sacramento have populations comparable to the size of Oakland (around 450,000 – 550,000), so these offer good comparisons. Sacramento currently has an individual contribution limit of \$2050 and committee contribution limit of \$6800 for local elections, while Fresno has an individual contribution limit of \$5500 and committee contribution limit of \$10,900. Hayward, with a population less than half the size of Oakland's, has individual contribution limits of \$1295. For large cities with a population over 100,000, on average the campaign contribution limits are around \$899³, similar to what is proposed here for Oakland.

Proposed Timeline

This legislation establishes a sunset of this temporary contribution limit increase on June 30, 2029, regardless of whether or not Democracy Dollars is implemented for respective races by then. This date reflects the current budget challenges in the City of Oakland and unlikelihood of the Democracy Dollars program being funded for the 2026 or even 2028 election cycles. The proposed changes would be effective immediately upon passage. However, if at some point before June 2029, Democracy Dollars funding of at least \$30,000 per certified candidate becomes available, the increased contribution limits will not apply, and will revert to previous limits set under Measure W. The proposed legislation will be effective immediately, upon passage. The immediate effective date has the added benefit of potentially supporting the efforts of prior candidates in retiring campaign debt from pre-2026 election cycles, which, as noted, were seriously impacted by independent expenditures.

Limited Public Financing

The proposed amendment would operate under similar logic of the temporary change in Limited Public Financing enacted in October 2023: although Measure W expressly rescinded the Limited Public Financing Program, the Public Ethics Commission and City Council agreed that it was not simply acceptable, but specifically fair and just to candidates to reinstate a 2024 version of the Limited Public Financing Program in order to bridge the gap in funding for 2024 candidates who could not take advantage of Democracy Dollars due to budgetary constraints.

This program, the [Limited Public Financing Act of 2024](#), provided reimbursements to eligible candidates of up to \$22,142.85 per candidate for qualifying expenses. During the 2024 election cycle, seven candidates for City Council met the requirements and took advantage of this program to help fund their campaigns⁴. Due to the budget shortfall, the total amount of funds available in 2024 was \$155,000 as opposed to \$159,038 in the 2022 election cycle. Candidates in 2022 could receive up to a maximum amount of \$35,400 from the program, compared to the \$22,142.85 maximum amount in 2024.

Since the Limited Public Financing Act of 2024, as referenced above, only applied to the 2024 general election and has since expired, the authors propose to restore Limited Public Financing to apply to the 2026 and 2028 elections. Knowing that Democracy Dollars will likely not be implemented in these years, it is critical to provide some type of public funding for candidates with the increasing cost of elections. This is intended to temporarily bridge the gap in potential funding

³ <https://www.commoncause.org/california/wp-content/uploads/2024/04/CA-Municipal-Index-Reportv3-Final.pdf>

⁴ <https://data.oaklandca.gov/w/mis7-2mb3/default?cur=oiXBLhN0c0u>

sources for candidates due to unavailability of the Democracy Dollars program in addition to the current budget proposal which does not currently include Limited Public Financing. Reinstating Limited Public Financing will help guarantee candidates can focus on communicating their views and positions to all Oakland residents and will ensure that having access to networks of wealthy donors is not a prerequisite for running a competitive campaign.

To be clear, this proposed legislation does not mandate funding of the Limited Public Financing Program. Rather, the City Council retains the discretion to fund the Limited Public Financing Program, subject to appropriation in the budget.

Officeholder Annual Limits

In addition to raising contribution limits, this legislation seeks to raise officeholder account annual limits for Councilmembers and at-large offices in order to supplement City funds that were once available to support various projects and community-based non-profits across the City of Oakland. Annual contribution limits for officeholder accounts have not been adjusted since 1999 and do not reflect the cost of office expenses, mailings, and other projects elected officials typically participate in.

Under this proposal, for Councilmember accounts, the officeholder limits would increase to **\$75,000** per year. For at-large offices including Council At-Large, Mayor, City Auditor, and City Attorney, the limits would increase to **\$100,000** per year. Due to the City's structural deficit, previous funds which had been made available to elected officials, such as community arts grants for each Council office, are no longer available. Raising the limits would allow elected officials to support programs and initiatives in their district and the broader community, as well as host public events to foster transparency and civic engagement in local government. This change will also encourage and promote public discussion of issues important to the district constituents and the broader community while simultaneously allowing elected officials to spend less time fundraising so they can focus on these issues and events.

Finally, increasing the officeholder fund limits curbs corruption and the appearance of corruption by encouraging transparent and traceable contributions to elected officials, which fosters more independence for elected officials who may use such contributions for any political, governmental or other lawful purpose except for campaigns and other prohibited uses as set forth in section 3.12.150(C).

Rules relating to allowable expenditures from officeholder funds are set forth in Oakland Municipal Code section 3.12.150(B). This legislation does not propose to amend the allowable expenditures.

Commitment to Implementing Measure W

The authors remain committed to the ensuring the full implementation of Measure W, including the establishment of the Democracy Dollars Program. However, this legislation also recognizes that given our budget situation and forecasts for the next few years, it may not practically be implemented by 2026 as currently intended given the numerous start-up costs and staffing needs that have not been fully funded in the 2023-2024 budget, and the \$4,000,000 minimum required amount to be

committed to the program in implementation years. Not only was there a very steep budget deficit that the City struggled to close in order to maintain a fully balanced budget over the past two years – but there are also projections from the City’s Finance Department that the next five years will continue to be strained in terms of generating revenue from a variety of sources. These estimates factor in the realities, in which Oakland is not alone, of rebounding from the pandemic with a slower tourism and sales industry, dealing with a difficult real estate market due to high interest rates, and corresponding declines in real estate transfer taxes, among other factors.

While the hope remains that the Democracy Dollars program can be implemented as soon as possible, this ordinance focuses on the overarching goal of ensuring that all candidates – especially those from marginalized and historically under-represented economic, racial, and other societal backgrounds – are fully supported in their abilities to adequately raise funds to run a successful campaign. The ordinance also addresses the reality that lowered contribution limits – absent public funding from the Democracy Dollars program, and a reduced Limited Public Financing Program – will severely impact candidates’ abilities to run successful campaigns and instead amplify the voices of those candidates with access to the backing of high-sum independent expenditures.

Conclusion

In conclusion, our proposed amendment seeks to *temporarily* raise individual contribution limits back to the 2022 levels of \$900, and the broad-based committee contribution limits to \$1800 until June 2029 – in order to further the voter-approved goals of ensuring that diverse candidates are supported financially to have viable campaigns. Furthering this goal, this ordinance would re-enact the Limited Public Financing Act for the 2026 and 2028 elections to allow candidates more support for reaching a larger number of voters. Finally, the ordinance would increase officeholder annual limits to allow for Councilmembers, Mayor, and other city-wide offices to more actively contribute to public-serving programs and initiatives in their respective districts.

ANALYSIS AND POLICY ALTERNATIVES

If the proposed changes are not passed, future elections will likely reflect neither Democracy Dollars or Limited Public Financing for candidates, creating more challenges for campaigns trying to fundraise and get their message across to a large number of voters. This would be the first time in two decades that no public financing would be available to candidates running for office⁵.

FISCAL IMPACT

There is no anticipated long-term fiscal impact to the City.

PUBLIC OUTREACH / INTEREST

⁵ <https://oaklandside.org/2025/05/12/oakland-budget-eliminate-democracy-dollars-election-2026/>

A previous version of the ordinance was originally introduced in late 2024, and the public had multiple opportunities to engage in comment and feedback. The current version was introduced in the Rules & Legislation Committee in March, allowing time for engagement and conversation before discussion in Council Committee.

COORDINATION

The authors consulted with the City Attorney's office to draft this legislation and ensure it aligns with current law, including the Oakland Campaign Reform Act and the Oakland Fair Elections Act. Councilmembers also consulted with the Public Ethics Commission for additional feedback and have incorporated many of the PEC's proposed changes in order to make this ordinance more effective and equitable.

SUSTAINABLE OPPORTUNITIES

Race & Equity:

Under the proposed ordinance, candidates who do not have historical wealth or self-funded campaigns will be able to compete and have a fair chance at creating change in their community. Given that many of these candidates are people of color and represent other underserved communities, including LGBT+, immigrant, and low-income communities, this ordinance would make Oakland elections more equitable, accessible, and fair.

Economic:

This ordinance would allow all candidates for elected office to compete on an equal playing field. Currently, candidates with more political connections and access to big donors of independent expenditure campaigns are at a huge advantage, as they will have ads and mailers funded on their behalf to spread their message more broadly, while newer, unexperienced candidates have less of a chance for success due to the burdens of fundraising. The proposed change would ensure that candidates will be able to raise enough funds to communicate their view and positions adequately to the public.

Environmental: There are no environmental impacts identified for this ordinance.

ACTION REQUESTED OF THE CITY COUNCIL

Councilmembers Janani Ramachandran, Kevin Jenkins, And Ken Houston Recommend That The City Council

Adopt an Ordinance Amending the Oakland Campaign Reform Act (Oakland Municipal Code Title 3, Municipal Elections, Article III, Chapter 3.12), To Add Section 3.12.045 to Temporarily Increase Contribution Limits for Candidates and to Amend Section 3.12.150 to Increase Officeholder Fund Limits and Amending the Limited Public Financing Act of 2024 (Oakland Municipal Code Title 3,

Municipal Elections, Article III, Chapter 3.13), To Amend Sections 3.13.060 and 3.13.265 to Extend the Limited Public Financing Act to Apply to 2026 and 2028 General Elections

For questions regarding this report, please contact Janani Ramachandran, District 4 Councilmember, at jramachandran@oaklandca.gov.

Respectfully submitted,

Councilmember Janani Ramachandran
District 4

Councilmember Kevin Jenkins
District 6

Councilmember Ken Houston
District 7

Prepared by:
Rebecca Dean, Legislative Coordinator
District 4 Council Office

Reviewed by:
Iris Merriouns, Chief of Staff
District 4 Council Office