

# CITY OF OAKLAND

## Public Ethics Commission

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May 29, 2025

Honorable City Council  
City Hall  
1 Frank H. Ogawa Plaza  
Oakland, CA 94612

### **RE: Ramachandran/Houston/Jenkins Proposal to Amend OCRA and the LPF Act**

Dear Council President Jenkins and Members of the City Council,

Under City Charter Section 603(h), the Public Ethics Commission (Commission or PEC) is required to review and comment on any amendments to laws that the Commission has the power to enforce before these amendments can become law.<sup>1</sup> Pursuant to this duty, the Commission met on May 21, 2025, to review and provide comment on Councilmembers Ramachandran, Houston, and Jenkins's ordinance amending the Oakland Campaign Reform Act (OCRA) and Limited Public Financing (LPF) Act.

The proposal contains three components:

1. An increase in Oakland's campaign contribution limits from \$650 to \$900 as to most contributors and from \$1,300 to \$1,800 for broad-based political committees
2. An increase in the total annual officeholder contribution limit to an officeholder account from \$25,000 to \$75,000 for district councilmembers; from \$25,000 to \$100,000 for the city auditor; from \$30,000 to \$100,000 for the at-large councilmember and the city attorney; and from \$50,000 to \$100,000 for the mayor
3. A reauthorization of the Limited Public Financing Program (LPF) through 2028, subject to budget appropriations.

**The Commission voted unanimously (4-0) to take the following positions:**

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<sup>1</sup> That section provides, in full:

Amendment of Laws. Prior to adopting, or enacting any amendments to, laws that the Commission has the power to enforce or administer, the City Council shall make a finding that the proposed changes further the goals and purposes of the law or program in question and provide specifics substantiating the finding. Absent an urgency finding akin to suspending compliance with the Sunshine Ordinance, amendments to such laws and proposed ballot measures that would adopt or amend such laws shall be submitted to the Commission for review and comment, prior to passage of the amendments or approval of the proposed measures for the ballot by the City Council.

1. **Campaign contribution limits increase – *Neutral*.** Should the council advance this proposal, the Commission strongly recommends: a) that implementation begin on July 1, 2025 and b) that the increased limits sunset on December 31, 2026.
2. **Officeholder account contribution limit increase - *Oppose*.** The PEC requests additional data and safeguards before reconsidering.
3. **LPF reauthorization – *Support reauthorization but with a different duration*.** The PEC supports reauthorizing the LPF until Democracy Dollars is funded and able to be implemented.

Below is a more detailed explanation of the Commission’s positions and rationale:

### 1. Contribution Limit Increase

The proposal would temporarily increase campaign contribution limits for candidates that accept expenditure limits from \$650 to \$900 as to most contributors and from \$1,300 to \$1,800 for broad-based political committees, plus an additional CPI adjustment in 2027 and 2029. The change would go into effect immediately upon the effective date of the ordinance and sunset on June 30, 2029.

There was no consensus from Commissioners on this proposal, and the Commission ultimately voted unanimously to take a neutral stand, with the following guidance:

- Should the council adopt this ordinance, the higher limits should go into effect on July 1, 2025, rather than immediately, to permit PEC staff time to implement the proposal and so that the new limits begin with a new campaign finance reporting period.
- Should the council adopt the ordinance, the new limits should sunset on December 31, 2026, rather than in 2029, so that the Council and PEC can assess the impact of the increased limits. Moreover, increasing the contribution limits beyond the 2026 cycle is premature given the uncertain implementation date of Democracy Dollars.
- The Commission strongly supports the provision in the proposed ordinance that only candidates who accept expenditure limits should receive the higher contribution limits, as was the case prior to Measure W.

### 2. Officeholder Account Total Annual Contribution Limit Increase

The proposal would permanently increase the total annual contribution limit to an officeholder account from \$25,000 to \$75,000 for district councilmembers; from \$25,000 to \$100,000 for the city auditor; from \$30,000 to \$100,000 for the at-large councilmember and the city attorney; and from \$50,000 to \$100,000 for the mayor.

Commissioners voted unanimously to oppose this proposal, expressing concerns that it may allow large-dollar donors additional opportunity to give more money to officials, increasing the risk of perception or real conflicts of interest; that the benefits of such an increase are unclear given that existing law already allows officeholders to solicit unlimited amounts for worthy organizations via

behested payments; that current laws governing the use and solicitation of officeholder funds could be perceived as insufficient to prevent misuse; that the administrative burden for council members may increase with higher limits; and that additional data or analysis was needed to show how the proposed limit amounts were arrived at and the need for these higher limits. Commissioners also cited a PEC staff analysis showing that officeholders have rarely come close to hitting the current cap of \$25,000 per year for District Councilmembers, indicating that raising the limit may not be needed.

Commissioners were appreciative of the intent of the proposal (i.e., to fund worthy community causes without impacting the General Purpose Fund) and voted unanimously that a future proposal regarding officeholder funds include the following background information to inform their consideration:

- The Commission requests further substantiation of why behested payments and existing limits are insufficient.
- The Commission requests that any Council proposal to increase the limits be paired with proposals to create additional guardrails on the use of officeholder funds, consistent with the stated intent of the proposal.
- The Commission requests additional analysis of the administrative burden that larger accounts may impose on elected officials.

## 2. LPF Reauthorization

The proposal would temporarily reauthorize the LPF through 2028, subject to appropriation in the budget.

The Commission strongly supports LPF reauthorization. Without reauthorization, Oakland would have no public financing of campaigns for the first time in two decades, counter to the goals of The Fair Elections Act, and the 74% of voters who supported it. Rather than impose a calendar date for expiration of LPF, and given the Commission's belief that a public financing option should remain in place without interruption, the PEC recommends reauthorizing the LPF until Democracy Dollars is funded and able to be implemented.

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The video for the May 21, 2025, meeting where the PEC adopted this recommendation may be accessed from the PEC's website at <https://www.oaklandca.gov/boards-commissions/public-ethics-commission/meetings>. I have also attached to this letter a copy of the staff report which was prepared for the PEC's discussion of this item.

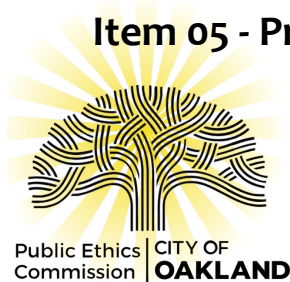
Thank you for the opportunity to provide the Commission's perspective on this proposal. If you have any questions or would like further information, please contact me at [nheidorn@oaklandca.gov](mailto:nheidorn@oaklandca.gov) or 510.604.1002.

Sincerely,

*Francis Upton*

Francis Upton IV  
Chair  
Oakland Public Ethics Commission

CC:  
Members of the City Council  
City Administrator Jestin Johnson



# Item 05 - Proposal to Amend the Oakland Campaign Reform Act

Francis Upton IV, Chair  
Tanya Bayeva, Vice Chair  
Alea Gage  
Ryan Micik  
Vincent Steele  
Karun Tilak

Nicolas Heidorn, Executive Director

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TO: Public Ethics Commission  
FROM: Nicolas Heidorn, Executive Director  
Alex Van Buskirk, Lead Analyst, Compliance and Disclosure  
DATE: May 9, 2025  
RE: Review & Comment: Councilmembers Ramachandran, Jenkins, and Houston's  
Proposal to Amend OCRA and the LPF Act

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## Summary

Under Charter Section 603(h), the City Council is generally required to submit proposed amendments to the laws that the Public Ethics Commission (Commission or PEC) enforces to the Commission for review and comment before adoption. This memo provides additional information to supplement the Commission's review of a proposal (attached) by Councilmember Janani Ramachandran, Councilmember Ken Houston, and Interim Mayor Kevin Jenkins to amend the Oakland Campaign Reform Act (OCRA) and Limited Public Financing (LPF) Act, which will occur at the Commission's May 21, 2025, meeting. At that meeting, the Commission may vote to support, oppose, or remain neutral on the proposal, suggest amendments, or provide other comments to the sponsors and City Council. The City Council's Rules Committee is expected to hear the proposal on May 22, 2025.

In greater detail, Councilmember Ramachandran, Councilmember Houston, and Interim Mayor Jenkins, are proposing an ordinance to do the following:

1. Amend the Oakland Campaign Reform Act (OCRA) to **temporarily increase campaign contribution limits for candidates that accept expenditure limits from \$650 to \$900 as to most contributors and from \$1,300 to \$1,800 for broad-based political committees**, plus an additional CPI adjustment in 2027 and 2029. This change would go into effect immediately upon the effective date of the ordinance and sunset on June 30, 2029. For certain offices the contribution limits may revert back to the lower amount earlier if the Commission determines that sufficient Democracy Dollars funds will be available in an election for that office.

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2. Amend OCRA to **permanently** increase the total annual contribution limit to an **officeholder account** as follows:

Office	Current Annual Contribution Limit	Proposed Limit
School Board Member	\$25,000	\$25,000
District Councilmembers	\$25,000	\$75,000
City Auditor	\$25,000	\$100,000
Councilmember At-Large City Attorney	\$30,000	\$100,000
Mayor	\$50,000	\$100,000

3. **Temporarily** reauthorize the Limited Public Financing Program (LPF) through 2028, subject to appropriation in the budget.

***Staff recommends that the Commission provide the following recommendation to the City Council:***

- 1) **Temporary Higher Campaign Contribution Limits:** PEC Staff is **neutral** on this proposal, but, if the proposal moves forward, **Staff recommends that:**
  - a) **the new limits go into effect on July 1, 2025**, rather than immediately, to permit PEC staff time to implement the proposal and so that the new limits begin with a new campaign finance reporting period, and
  - b) **the higher limits sunset on December 31, 2026**, after which the PEC and City Council will better be able to judge if the Democracy Dollars Program will be implemented in 2028. If the Democracy Dollars Program is likely to be implemented, there is no justification for keeping the higher contribution limits. If the Program is unlikely to be implemented, the Council could at that time vote to extend the higher limits through the 2028 election cycle.
- 2) **Permanent Higher Officeholder Fund Annual Total Contribution Limits:** **Staff recommends** that the Commission **either:**
  - a) **Recommend not increasing the annual total contribution limits**, as there is no evidence the current limits are impeding officeholder fundraising, **or**
  - b) **Recommend that the annual total contribution limits be adjusted only to account for inflation since 1999**, the last time the limits were adjusted. The revised rounded limits Staff recommends would be: \$50,000/year for District Councilmember and School Board Member; \$65,000/year for At-Large Councilmember, City Attorney, and City Auditor; and \$100,000/year for Mayor.
- 3) **Temporary LPF Extension Subject to Budget Appropriation:** **Staff recommends supporting** this proposal as a bridge until the Democracy Dollars Program is implemented. Re-authorizing and subsequently funding the LPF in the FY 25-27 Budget, would ensure 2026 is not the first election in more than 20 years in which public financing is not available in Oakland.

*PEC staff would like to acknowledge and thank Councilmembers Ramachandran, Houston, and Jenkins for providing an early draft of this proposal to staff and accepting some staff-suggested technical and substantive amendments.*

The remainder of this memo analyzes each of the three major elements of this proposal.

## **I. CAMPAIGN CONTRIBUTION LIMITS**

### **Background on Contribution Limits**

#### Oakland Contribution Limits Prior to Measure W

Prior to the 2024 election cycle, Oakland had variable contribution limits depending on whether or not a candidate accepted expenditure limits (i.e., agreed to cap their total campaign spending). Oakland also had a generally-applicable contribution limit (e.g., for individuals or businesses) and a higher limit for “broad-based political committees,” which is defined as “a committee of persons which has been in existence for more than six (6) months, receives contributions from one hundred (100) or more persons, and acting in concert makes contributions to five (5) or more candidates.” (OMC 3.12.040(A).) These limits were periodically adjusted for inflation.

For example, for the 2022 election cycle, the general contribution limits to candidates who did not accept expenditure limits was \$200, whereas the limit for candidates that *did* accept expenditure limits was \$900. For contributions from broad-based political committees that cycle, the limits were \$400 for candidates not accepting expenditure limits and \$1,800 for candidates accepting them. Historically, most competitive candidates in Oakland elections have accepted expenditure limits and thus were subject to the higher of the two contribution limits. (OCRA also provided a way for the expenditure limits to be lifted if either (A) a candidate who had not accepted the expenditure limits either made expenditures or received contributions equal to 50 percent of the expenditure limits or (B) if an individual or political committee expended more than a certain amount supporting or opposing a candidate.) Council *district* candidates who accepted expenditure limits, among other criteria, were also eligible to participate in the City’s Limited Public Financing Program (LPF), discussed later in this memo.

#### Measure W Contribution Limits

In 2022, Oakland voters adopted Measure W, which, among other things, replaced Oakland’s LPF Program with a more robust form of campaign public financing called the Democracy Dollars Program, and also changed campaign contribution limits.

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Under the Democracy Dollars Program, the City will send \$100 in Democracy Dollar vouchers to eligible Oakland residents who can then assign the Dollars to the candidate of their choice. Unlike the LPF, which applies only to candidates running for Council District office (7 offices), the Democracy Dollars Program applies to candidates running for all City or OUSD offices (18 offices), including: Mayor, City Attorney, City Auditor, City Council At-Large, City Council District, and School Board District. Unless the City is facing an extreme fiscal necessity, Measure W requires the City to appropriate \$4 million for the Democracy Dollar vouchers over a two-year budget cycle. The Democracy Dollars Program was supposed to be implemented for the 2024 election cycle; however, due to City's fiscal situation, the Council did not provide funding for vouchers and the Program was postponed; the LPF was extended for 2024 only to ensure public financing remained available. It appears likely, given the City's fiscal situation, that the Democracy Dollars Program will be postponed again in 2026.

Measure W also changed campaign contribution limits by establishing a uniform general limit of \$600 and a \$1,200 limit for broad-based political committees, which adjust every two years for inflation. The new limits do not distinguish between whether or not a candidate accepts or does not accept expenditure limits. As a result, the change may be described as an *increase* to the limits for candidates not accepting expenditure limits (up from \$200 generally and \$400 for broad-based political committees in 2022), and a *decrease* as to candidates accepting expenditure limits (down from \$900 and \$1,800, respectively, in 2022).

These limits were used for the 2024 election cycle. In January 2025, pursuant to OCRA, the contribution limits were adjusted for inflation to \$650 generally and \$1,300 for broad-based political committees. Those inflation-adjusted limits were used for the April 2025 special election and are currently in effect.

### Overview of Recent Oakland Contribution Limits (Not Accepting / Accepting Expenditure Limits)

Election Year	General Contributors (Not Accepting / Accepting Limits)	Broad-Based Political Committees (Not Accepting / Accepting Limits)
2018	\$200 / \$800	\$400 / \$1,600
2020	\$200 / \$900	\$400 / \$1,700
2022	\$200 / \$900	\$400 / \$1,800
2024	\$600	\$1,200
2025	\$650	\$1,300
2026	\$650	\$1,300

\*Contribution limits after Measure W do not vary based on whether a candidate accepts expenditure limits or not.

The Ramachandran/Houston/Jenkins proposal would somewhat return Oakland to its pre-Measure W contribution limits in effect for the 2022 election, at least until the Democracy Dollars Program is implemented. In 2022, and under this proposal, candidates accepting expenditure limits could receive \$900/\$1,800 contributions, but the limits for candidates not accepting the expenditure limits was lower in 2022 (\$200/\$400 vs \$650/\$1,300).



### The 2024 Contribution Limits Increase Proposal

In 2024, Councilmembers Jenkins and Ramachandran proposed raising Oakland's contribution limits from \$600/\$1,200 to \$900/\$1,800. As originally proposed, it did not require that candidates accept the voluntary expenditure limits to receive the higher contribution limits. The proposed change would have taken effect in October 2024, just prior to the November 2024 election. The Commission considered the proposal at its September 2024 meeting. The staff report for that proposal is [here](#).

The Commission voted 3-2 to support the proposal if it were amended to include a requirement that candidates accept expenditure limits to receive the higher contribution limits; however, because four votes were needed to adopt the proposal (a majority of the Commission's 7 seats), the proposal was not adopted. Instead, the Commission voted unanimously to convey the following points to the City Council (as excerpted from then-Chair Micik's letter to Council):

- "Commissioners share the authors' concern that candidates should be able to raise sufficient funds to get their campaign message out while Democracy Dollar funding is unavailable.
- Commissioners are concerned about the timing of the proposal, which, for the 2024 election cycle, would change campaign finance rules in the last month of an election, and divert Commission staff resources during a period of peak demand for Commission services.
- The Commission recommends that, if there are higher limits for the 2026 election cycle, candidates should have to accept expenditure limits as a precondition to fundraising at those higher limits. This was previously the rule under OCRA through the 2022 election, until a single lower limit was adopted with the passage of Measure W (2022).
- Under this proposal, if Democracy Dollars are available for an office in the 2026 election cycle at a sufficient funding level, contribution limits as to that office will return to the lower levels currently in effect (as adjusted for inflation) beginning on January 1, 2026. One consequence of this is that candidates who enter a race in 2025 are advantaged over candidates who only enter that race in 2026, as the former candidates could for several months raise funds at the higher contribution limits. The Commission recommends that the Council look at alternative ways to structure the proposed policy so that early-entry and late-entry candidates are treated similarly, but for administrative reasons the Commission has concerns about requiring that early-entry candidates reimburse funds raised at higher limits if the limits are later lowered.
- The Commission recommends, if this proposal is adopted, that the effects of any change in contribution limits for the 2024 election cycle be evaluated so that policy changes for the 2026 election cycle may be considered later this year or early in 2025."

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Councilmember Ramachandran and Jenkins revised their proposal to reduce the proposed increase to the contribution limits to \$750/\$1,500 and to require that candidates accept expenditure limits to receive the higher limits. The proposal passed first reading by the City Council, but failed to pass second reading, so did not become law.

### The Current Ramachandran/Houston/Jenkins Proposal

In greater detail, this proposal would:

- Change, from \$650 to \$900 (+ CPI) as to general contributors and from \$1,300 to \$1,800 (+ CPI) as to broad-based political committees, the campaign contribution limits for candidates who accept the Oakland Fair Elections Act's voluntary expenditure limits. The current inflation-adjusted expenditure limits are as follows:
  - Mayor: \$532,500
  - City Attorney, City Auditor, City Councilmember At-Large: \$266,500
  - District Councilmember: \$160,000
  - School Board Member: \$106,500
- Release a candidate from the voluntary expenditure limits if another candidate who has not accepted the limits raises or spends more than 50% of the limits, **or** if any person makes independent expenditures greater than \$30,000 (School Board or District Councilmember), \$50,000 (At-Large Councilmember, or City Attorney, City Auditor), or \$100,000 (Mayor).
- Provide that the increased \$900/\$1,800 contribution limits revert back to the lower limits as to any City Office for which the Commission projects that the amount of Democracy Dollars proceeds available is at least \$30,000 per certified candidate for that City Office.
- Specify that the higher contribution limits are effective immediately and sunset on June 30, 2029.

According to Councilmembers Ramachandran, Houston, and Jenkins:

“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 voter-passed initiatives including Measure W, the Oakland Fair Elections Act, passed in 2022. While Measure W 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.

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“Unfortunately, this program was not available to Oakland residents or candidates 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 at the previous threshold, 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.”

The language of the full proposal, as well as a memo in support by the Councilmembers (quoted in part here), is attached to this memo.

### Comparison - Contribution Limits in Other Cities

Oakland’s current \$650/\$1,300 contribution limits are similar to peer jurisdictions, defined as the top ten cities in population. If the proposed \$900/\$1,800 limits are adopted, Oakland’s limits would be higher than most other peer cities, but similar to other cities with populations over 100,000. However, as to mayoral limits, which in some cities differ from councilmember limits, Oakland’s current and proposed limits would remain stricter than most other jurisdictions.

Under California law, if a City does not adopt its own campaign contribution limits, city elections are required to follow the state contribution limits by default, which are presently set at \$5,900. According to a 2024 report by California Common Cause, 124 cities in California have adopted contribution limits lower than the state default. Of those, the average contribution limit was \$711, a little higher than Oakland’s current limits for individuals. For cities with populations over 100,000, the average was \$899, higher than Oakland’s current limits and almost identical to the individual limits in the Ramachandran/Houston/Jenkins proposal.<sup>1</sup>

Of the ten biggest cities in California, including Oakland, nine have adopted contributions limits, with a median contribution limit of \$700 for City Council and \$1,400 for Mayor, although there is a degree of variability between cities. Oakland’s *City Council* candidate contribution limits are higher than Long Beach and San Francisco, equal or similar to San Diego and San Jose, and lower than Los Angeles, Fresno, Sacramento, and Anaheim. If the proposal is adopted, Oakland’s limits to Council candidates would be higher than most other cities except Fresno, Sacramento, and Anaheim. However, Oakland currently has the second lowest *mayoral* contribution limits, after only San Francisco. If the proposal were adopted, Oakland would still have the second lowest limits, but would tie Long Beach’s mayoral limits.

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<sup>1</sup> California Common Cause, “Local Dollars and Local Democracy” (Mar. 2024), <https://www.commoncause.org/california/wp-content/uploads/2024/04/CA-Municipal-Index-Reportv3-Final.pdf>.

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### Individual Contribution Limits in the 9 Largest California Cities with Limits as of 2024

City	Population	Donor Limits to City Council	Donor Limits to Mayor	Public Financing?
Long Beach	466,742	\$400	\$900	Yes
San Francisco	873,965	\$500	Same	Yes
San Diego	1,386,932	\$650	\$1,200	No
<b>Oakland - Current</b>	<b>440,646</b>	<b>\$650</b>	<b>Same</b>	<b>Yes</b>
San Jose	1,013,240	\$700	\$1,400	No
Los Angeles	3,898,747	\$800	\$1,500	Yes
<b>Oakland - Proposed</b>	<b>440,646</b>	<b>\$900</b>	<b>Same</b>	<b>Yes</b>
Sacramento	524,943	\$1,800	\$3,600	Yes*
Anaheim	346,824	\$2,200	Same	No
Fresno	542,107	\$4,900	Same	No

Source: California Common Cause

\* Not funded

### Amending OCRA to Further its Purposes

The Ramachandran/Houston/Jenkins proposal would amend OCRA, which the PEC enforces. OMC 3.12.370, which was added by the voters with the adoption of Measure W, provides that, as to OCRA, the “City Council may make any amendments to this Act that are consistent with its purpose.” In addition, Charter Section 603(h) also provides that:

“Prior to adopting, or enacting any amendments to, laws that the Commission has the power to enforce or administer, *the City Council shall make a finding that the proposed changes further the goals and purposes of the law or program in question and provide specifics substantiating the finding.* Absent an urgency finding akin to suspending compliance with the Sunshine Ordinance, amendments to such laws and proposed ballot measures that would adopt or amend *such laws shall be submitted to the Commission for review and comment, prior to passage of the amendments or approval of the proposed measures for the ballot by the City Council.*” (Emphasis added.)

The requirement for PEC review and comment will be met with the Commission’s consideration of this proposal at its May 21 meeting. The City Attorney’s Office provided the following view as to the legality of the 2024 proposal by Councilmembers Ramachandran and Jenkins to amend OCRA’s contribution limits, which likely still applies to the contribution increases included in this proposal:

“A proposed amendment that temporarily returns the contribution limits to the pre-Measure W 2022 limits until the Democracy Dollars program is fully funded is properly

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within the discretion of the Council to determine that the amendment furthers the purpose of the OCRA.”

PEC staff believes the question of whether an OCRA amendment to *increase* contribution limits, after Measure W *lowered* contribution limits, furthers the purposes of OCRA is a close question, potentially opening up this proposal to legal challenge.

The purposes of a law added by ballot measure may be discerned from its findings, statement of purpose, context, and ballot measure materials. (See *Howard Jarvis Taxpayers Assn. v. Newsom*, 39 Cal. App. 5th 158 (2019).) In this case, many of the official findings of Measure W, as well as ballot arguments presented in support, indicate that a goal of the measure was to reduce the disproportionate influence of large donors in Oakland elections. For example:

- The Council Resolution placing Measure W on the ballot noted, in the Resolution’s findings, that the proposed amendments to OCRA furthered “the purposes of that ordinance, including reducing the influence of large contributors.”
- The proponents of Measure W argued in the ballot pamphlet that “The Act lowers the maximum campaign contribution amount to reduce the risk of corruption. Stricter limits means more assurance that our local leaders are fighting for all of us.”
- OCRA’s formal findings, codified at OMC 3.12.20, indicate that:
  - “B. The rapidly increasing costs of political campaigns have forced many candidates to raise larger and larger percentages of money from interest groups ... This has caused the public perception that votes are being improperly influenced by monetary contributions. ...”
  - “F. Based on existing circumstances in Oakland, including those enumerated in the Oakland Fair Elections Act, the contribution limits established by this Act will not prevent candidates from raising the resources necessary to run an effective campaign.”<sup>2</sup>
- OCRA’s formal purposes, codified at OMC 3.12.030, include:
  - “B. To reduce the influence of large contributors with a specific financial stake in matters under consideration by the City, and to counter the perception that decisions are influenced more by the size of contributions than by the best interests of the people of Oakland.”
  - “G. To curb corruption and the appearance of corruption by providing reasonable limits on contributions to candidates and their campaign committees and requiring disclosure of the sources of money spent to influence elections in Oakland.”

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<sup>2</sup> This section of OCRA, which was added by Measure W, likely also incorporates by reference into OCRA the findings of the Oakland Fair Elections Act (OFEA), which creates Oakland’s Democracy Dollars Program. OMC 3.12.020(F). OFEA’s findings include further statements about the problems of “[c]andidates’ reliance on large contributions from a limited number of wealthy contributors.” See OMC 3.13.020(F) & (G). See also OMC 3.13.020(C).

If this proposal is enacted and legally challenged, and a Court concludes that an independent purpose of Measure W/OCRA was to lower prior contribution limits to reduce the disproportionate influence of large donors, temporarily reinstating the old, higher limits may still be contrary to this purpose, and at-risk of being struck down as an illegal amendment to OCRA.

### **Likely Campaign Effects of this Proposal**

The likely campaign effects of this proposal can be summarized as follows:

1. Candidates will raise more money for their campaigns overall.
2. Proportionally more of a candidate's campaign funds will come from large donors, many of whom will max-out at the new higher limits.
3. Total independent expenditure (IE) spending will likely be unaffected, but with higher limits candidates can raise more funds to better get their message out compared with IEs.

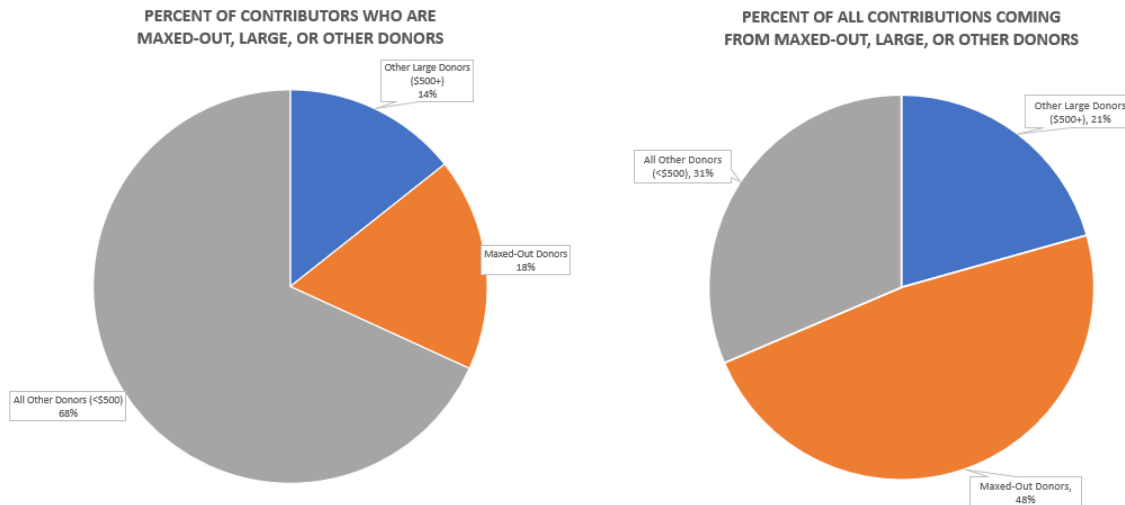
#### **1. Increased Fundraising**

If the contribution limits are increased, candidates will necessarily raise more money. By what percentage this will boost candidate fundraising is difficult to predict, but it is likely to be significant, as a substantial amount of Oakland candidates' funds comes from maxed out donors.

According to a PEC data analysis of 20,186 reported campaign contributions to Oakland City (Mayor, City Attorney, City Auditor, and City Council) and OUSD candidates between January 1, 2019, and December 31, 2024, maxed-out campaign donors alone accounted for nearly half (48%) of all campaign funds over three election cycles, while representing only 18% of all itemized contributors.

### **Comparison: Large and Maxed-Out Contributions/Contributors vs All Contributions/Contributors from 2019-2024**





Increasing the limits will cause some donors to contribute up to the new maximum, leading to more funds raised by candidates overall. For example, in 2024, when the Measure W \$600/\$1,200 contribution limits went into effect, there were 953 maxed-out individual/business contributions and 112 maxed-out broad-based political committee contributions. Together, these contributions accounted for almost \$630,000 in contributions to candidates (about 48% of all funds raised). If instead the proposed \$900/\$1,800 limits had been in effect, and we assume 50% of contributors that maxed out at \$600/\$1,200 would still max-out at the new proposed limits of \$900/\$1,800, candidates would have raised an additional \$176,550 in total, or up to a few tens of thousands of dollars more per competitive candidate. If 75% max out at the higher limits, candidates would have raised an additional \$264,825. And if 100% maxed out, it would mean an additional \$353,100.

## 2. Increased Reliance on Major Donors

As described above, increasing contribution limits will enable candidates to raise more money overall from large donors, which will also increase candidate reliance on these donors. The PEC's data analysis of the 2020, 2022, and 2024 election cycles shows that the lower contribution limits in 2024 had the intended effect of lowering the proportion of total candidate funding coming from large donors.

Oakland candidates raise a majority of their funds from large donors. From 2019 through 2024, candidates for Oakland or OUSD office raised a total of \$5.9 million. Large \$500+ donors accounted for only 32% of all itemized contributors to campaigns,<sup>3</sup> but they accounted for 68% of the *total amount contributed*. Reliance on large donors was higher in the 2020 (66% of funds from large donors) and 2022 election cycles (72%), when contribution limits were \$900, compared with 2024 (57%) when the limits were lowered to \$600.

<sup>3</sup> Candidates only need to report the identity of contributors who give \$100 or more. Contributions from contributors giving \$100 or less are lumped together as "unitemized" contributions. The number of unitemized contributors is not reported.

**Campaign Funds Raised by Donor Type by Election Cycle**

<b>AMOUNT RAISED:</b>	<b>2019-20</b>	<b>2021-22</b>	<b>2023-24</b>
<i>Total</i>	\$2,014,505	\$2,626,850	\$1,313,237
<i>From Large Donors (\$500+)</i>	66%	72%	57%
<i>From Other Itemized Donors (&lt;\$500)</i>	23%	23%	32%
<i>From Unitemized Donors</i>	11%	5%	11%

While Oakland candidates overall rely heavily on maxed-out contributions, this can vary significantly for individual candidates. For example, in a 2020 Council District election, one candidate received 58 maxed-out contributions, accounting for 73% of the total amount the candidate raised, whereas their closest challenger received only 3 maxed-out contributions, accounting for just 15% of their contributions raised. As the chart below comparing incumbent and challenger fundraising demonstrates, candidates will often have a 2:1 advantage in raising maxed-out contributions over their nearest competitor. Increasing contribution limits will therefore provide the greatest advantage to candidates who already have access to networks of wealthy individuals or businesses who can afford to donate \$900, compared with candidates who raise most of their funds from small contributors, whose giving would not be affected by raising the maximum limits. Interestingly, and contrary to the academic literature,<sup>4</sup> incumbents in Oakland do not have a clear advantage in raising maxed-out contributions in recent elections.

**Reliance on Maxed-Out Contributions  
 by City Council Incumbents and Nearest Challengers**

<b>Council Contest</b>	<b>Filer</b>	<b># of Unique Contributors</b>	<b># of Maxed Contributions</b>	<b>% of \$ Amount from Maxed</b>
Race 1 (2022)	Incumbent	358	60	44.5%
	Challenger	98	19	51.50%
Race 2 (2020)	Incumbent	322	60	39%
	Challenger	650	135	49.5%
Race 3 (2020)	Incumbent	420	50	33.6%
	Challenger	442	65	38.7%
Race 4 (2020)	Incumbent	403	98	49.6%
	Challenger	660	77	36.7%
Race 5 (2020)	Incumbent	124	58	73.2%
	Challenger	98	3	14.58%

<sup>4</sup> Some academic literature finds that lower contribution limits evens the fundraising playing field between incumbents and challengers. See Thomas Stratmann, “How Close is Fundraising in Contested Elections in States with Low Contribution Limits?” (May 7, 2009), available at <https://ssrn.com/abstract=1400789>.

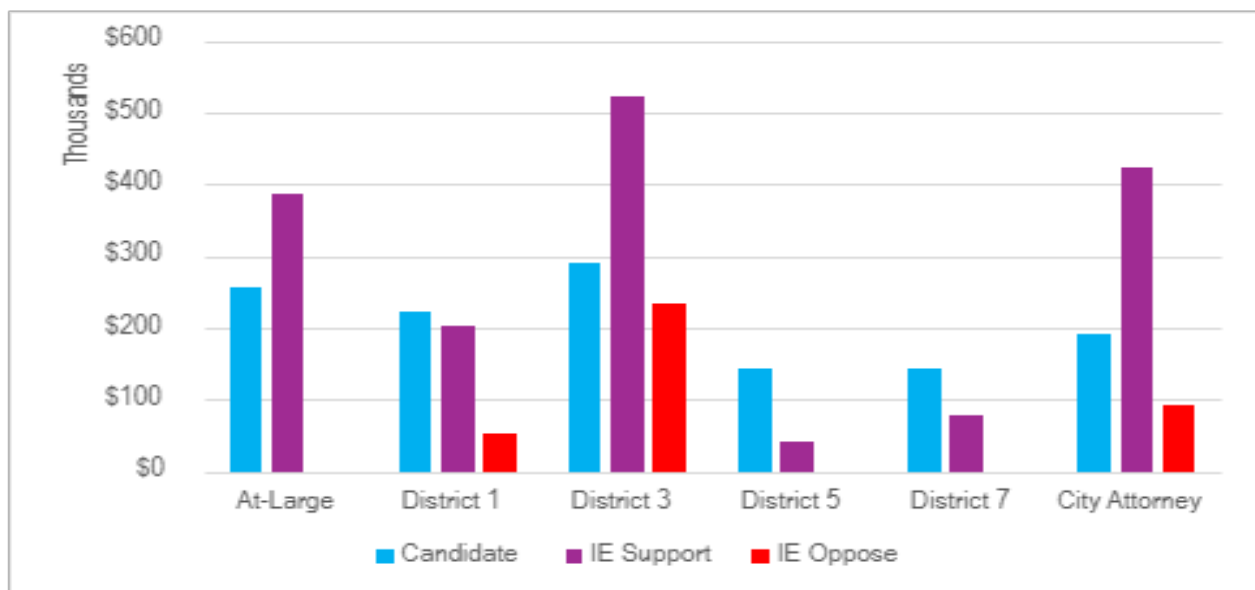


### 3. IE Spending Unlikely to Change, but Candidates would Raise Proportionally More Money

While OCRA limits how much people can contribute to candidate campaign committees, U.S. Supreme Court precedent prevents the government from limiting the amount of money political committees can independently raise and spend to support or oppose candidates. Raising contribution limits by \$250/\$500 is unlikely to affect the total amount of IE spending in Oakland, because the increase is too small for significant independent spending – which is often in the tens of thousands of dollars – to be converted into direct contributions. However, as discussed above, because candidates will likely raise more money from large contributors under this proposal, the candidate proportion of total campaign spending will be higher than would be the case with tighter limits.

In several Oakland elections over the past few election cycles, including the 2024 election and 2025 special election, there has been substantial independent expenditure (IE) spending, often dwarfing candidate spending. For example, in 2024, total IE spending exceeded total candidate spending in 5 out of the 7 elections that cycle.

#### **2024 Campaign Spending: All Candidates vs All Independent Expenditures (IEs)**



In the absence of a robust public financing system, allowing candidates to raise funds at higher contribution levels would enable candidate spending to be somewhat more competitive with IE spending, although if recent IE spending trends continue such spending will likely still be higher than candidate spending.

#### **Staff Comments/Recommendations:**

1. Improvements Over the 2024 Proposal: The authors have made some changes to this proposal which make it an improvement over the 2024 proposal. Namely, the proposal

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requires that candidates accept expenditure limits to receive the higher contribution limits, which is closer to how Oakland's contribution limits operated pre-Measure W. In addition, the change is being made well in-advance of the 2026 election.

2. Furtheres the Purposes of OCRA? The Commission may wish to consider and provide its perspective as to whether or not the proposed amendments increasing contribution limits until the Democracy Dollars Program launches furtheres the purposes of the OCRA.
3. \$900 or \$800 Limits? Originally, the 2024 proposal would have increased Oakland's contribution limits from \$600/\$1,200 to \$900/\$1,800 (similar to this proposal); however, the City Council revised the proposal to instead provide limits of \$800/\$1,500, which was approved on first reading but ultimately failed adoption. The Commission may wish to consider whether \$900 or some lower amount is more appropriate.
4. **Recommendation - Move the Start Date to July 1:** Staff recommends that the start date for the new candidate contribution limits be July 1, 2025, instead of once the ordinance goes into effect, which will likely be sometime in June. A July 1 start date is preferable to having the new limits start immediately in June because this later date:
  - Gives PEC staff a few weeks to implement the proposal to minimize confusion and help candidates avoid inadvertently breaking the law. Implementation steps include creating expenditure limit acceptance forms, updating the PEC's website and educational materials to account for the new rules, and providing an advisory to candidate committees.
  - Avoids changing the contribution limits mid-reporting period. Active candidate committees are required to report all their campaign activity between January 1 and June 30. Keeping the contribution limits for the remainder of the reporting period helps to minimize the chance of confusion and simplifies the Commission's facial review of campaign reports for compliance.
  - Aligns the proposal with the new budget cycle (which begins July 1). The premise of this proposal is that Democracy Dollars cannot be implemented in 2026, which will be confirmed if the 2025-27 budget, as expected, does not include funding for Democracy Dollars vouchers. Implementing the new rule prior to July 1 seems premature since the unavailability of vouchers is not yet confirmed.
5. **Recommendation - Move the End Date to December 31, 2026:** Staff recommends that the end date for the new candidate contribution limits be December 31, 2026, instead of June 30, 2029. The current proposals sets as a default assumption that Democracy Dollars will not be implemented in 2028. However, following the City Council's own

directive, the PEC is preparing a ballot measure for the 2026 ballot which would raise funds to fully-fund Measure W. If such a measure passes, higher limits are unnecessary after that. If such a measure is not placed on the ballot or does not pass, and the budget situation remains challenging such that implementation is unlikely, the City Council could then pass an amendment just extending the sunset date for this ordinance to 2029. Assuming now that Democracy Dollars cannot be implemented in 2028, when there are many unknowns, may be contrary to the spirit of Measure W, which mandates implementation and requires that any waiver of minimum spending be re-determined each budget cycle, which could undermine the argument that this proposal furthers the purposes of OCRA/Measure W.

### **II. OFFICEHOLDER FUND**

#### **Background**

Under OCRA, every elected City official is permitted to establish an officeholder expense fund. (OMC 3.12.150(A).) Elected officials may make expenditures from the fund “for any political, governmental or other lawful purpose,” including (for example) for office equipment, part-time staff, research, travel, donations to charities, educational materials, and mailing to constituents. (*Id.*(C).) However, the fund may not be used for an elected official’s campaign expenses, nor may officeholder funds be transferred into a candidate’s campaign committee.

Officeholder funds are subject to the same per-contributor limits that candidates are subject to (i.e., \$650 from businesses and individuals and \$1,300 from broad-based political committees), but on a per year instead of per election basis. In addition, there is an annual *total contribution limit* (i.e., from all sources) to officeholder funds of \$25,000 for District Councilmember, School Board Member, and City Auditor; \$30,000 for City Attorney and At-Large Councilmember; and \$50,000 for Mayor. Because this total annual limit is per year, and *not* per term in office, an officeholder who served all four years of their term and maxed out their officeholder fund each year would raise 4x that limit by the end of their term, e.g. a maximum of \$100,000 for a councilmember serving a four-year term.

OCRA’s officeholder fund law seeks to balance two competing interests. The law enables elected officials to raise funds (separate from their candidate committees) to serve their constituents, saving the general purpose fund money. However, similar to OCRA’s campaign finance rules, to guard against corruption or its appearance, it caps how much money elected officials may receive per contributor and in total.

#### **Proposal**

This proposal would permanently increase the officeholder fund *total* annual contribution limits to \$75,000 for District Councilmembers (up from \$25,000) and \$100,000 for citywide

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officeholders (up from \$25,000 for City Auditor, \$30,000 for City Attorney and At-Large Councilmember, and \$50,000 for Mayor). School Director officeholder fund limits would remain the same at \$25,000. The proposal also would not change other rules for officeholder accounts, nor would it raise the per-contributor contribution limits to officeholder accounts.

According to the proponents:

“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. ... 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.”

### Current Usage of Officeholder Accounts

While most Oakland elected officials establish officeholder funds, few officials come close to the annual officeholder fundraising limit. As the chart below demonstrates, between 2018 and 2024, or seven years of officeholder fund data, no officeholder has come within \$5,000 of the contribution limits more than twice. In addition, in all but one instance where an officeholder approached the annual contribution limit, it was immediately after their election when they were re-designating the surplus funds in their campaign committee into an officeholder fund. This shows that is exceedingly rare for officeholders fundraising mid-term to come up against the current limits.

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### District Councilmember Officeholder Fund Reporting<sup>5</sup>

Year	District 1	District 2	District 3	District 4	District 5	District 6	District 7
2018	\$-	\$-	\$1,700	\$27,660	\$-	\$-	\$-
2019	\$700	\$22,536	\$-	\$13,050	\$-	\$-	\$-
2020	\$-	\$5,450	\$-	\$600	\$-	\$12,629	\$-
2021	\$-	\$22,450	\$25,370	\$3,500	\$-	\$7,008	\$24,619
2022	\$-	\$14,200	\$7,390	\$6,600	\$-	\$-	\$-
2023	\$-	\$8,999	\$6,216	\$21,570	\$-	\$17,000	\$845
2024	\$-	\$226	\$4,260	\$2,800	\$-	\$9,600	\$-
Annual Limit	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Years Within \$5k of Limit	0	2	1	2	0	0	1

### Comparing the Proposed Increase to Inflation

The last time the total annual contribution limits for officeholder funds were adjusted was in 1999 (Ord. No. 12998), when the mayoral limits were adjusted. Unlike Oakland's individual contribution limits, which have always been indexed to inflation, the officeholder funds are not, so have not changed in that time. According to the federal Bureau of Labor Statistics, the consumer price index (CPI) for the San Francisco-Oakland-Hayward, CA area has increased by 109.2% from February 1999 to February 2025.<sup>6</sup>

The chart below shows side-by-side (1) the current Officeholder Fund annual contribution limits, (2) what the limits would be today if they had been CPI-adjusted since 1999, and (3) the Ramachandran/Houston/Jenkins proposed limit increases:

Office	Current Annual Limit	CPI-Adjusted Annual Limit	Proposed Annual Limit
School Board Member	\$25,000	\$52,307	\$25,000
District Councilmembers	\$25,000	\$52,307	\$75,000
City Auditor	\$25,000	\$52,307	\$100,000
Councilmember At-Large	\$30,000	\$62,768	\$100,000
City Attorney			
Mayor	\$50,000	\$104,614	\$100,000

<sup>5</sup> When a candidate redesignates their campaign committee as an officeholder committee, they may only transfer in up to the annual total contribution limit for officeholder funds. This chart in some cases shows more than the annual limit being provided. However, this simply reflects a limitation in how the PEC is pulling data. The NetFile system does not permit the PEC to pull reports based on when a campaign committee is redesignated, so some of these initial amounts capture some funds that were in the campaign committee but had likely already been expended prior to re-designation.

<sup>6</sup> The CPI in February 1999 was 169.4, compared with 354.43 in 2025. Source: [Bureau of Labor Statistics](#).

As the chart above demonstrates, except as to the Mayoral officeholder fund limits, the proposed increases are significantly higher than inflation since the last adjustment in 1999.

### **Behested Payments as an Alternative to Supporting Community Groups**

One argument for raising the annual officeholder fundraising limit is so that officeholders may better support community organizations active in Oakland, especially while the City is in a difficult fiscal situation and may be cutting back on grants and contracts that might otherwise have supported these groups. According to the authors of this proposal in discussion with the Executive Director, each Councilmember used to have dedicated funding to spend in their district, but that this funding approach was eliminated in prior budget cycles. Raising officeholder fund contribution limits would enable councilmembers and other elected officials to raise more discretionary funds to meet district priorities.

While this proposal permits elected officials to raise more for their own mostly discretionary spending, it is important to note that elected officials may already fundraise on behalf of *other organizations* without limits. So-called “behested payments” are any payments made by an entity (usually a business) to another entity (usually a nonprofit) at the behest of an elected officials. Because the funds go directly to the recipient organization, and are not directly given to a committee controlled by the elected official, there is no dollar limit on behested payments, but state law does require that elected officials disclose when a payment is made.

Under State Government Code Section 84224 and associated regulations, local elected officials are required to report any payments made at their behest over \$5,000 within 30 days. As explained by the [Fair Political Practices Commission](#):

“Under California’s transparency laws, an elected official who fundraises or otherwise solicits payments from one individual or organization to be given to another individual or organization may be required to report the payment. Generally, a payment is considered ‘behested’ and subject to reporting if it is made:

- At the request, suggestion, or solicitation of, or made in cooperation, consultation, coordination or concert with the public official; and
- For a legislative, governmental or charitable purpose.

... State law requires the reporting of behested payments if they total \$5,000 or more per calendar year from a single source.

Officials must report the behested payments within 30 days of the date on which the payment meets or exceeds \$5,000 from a single source.”

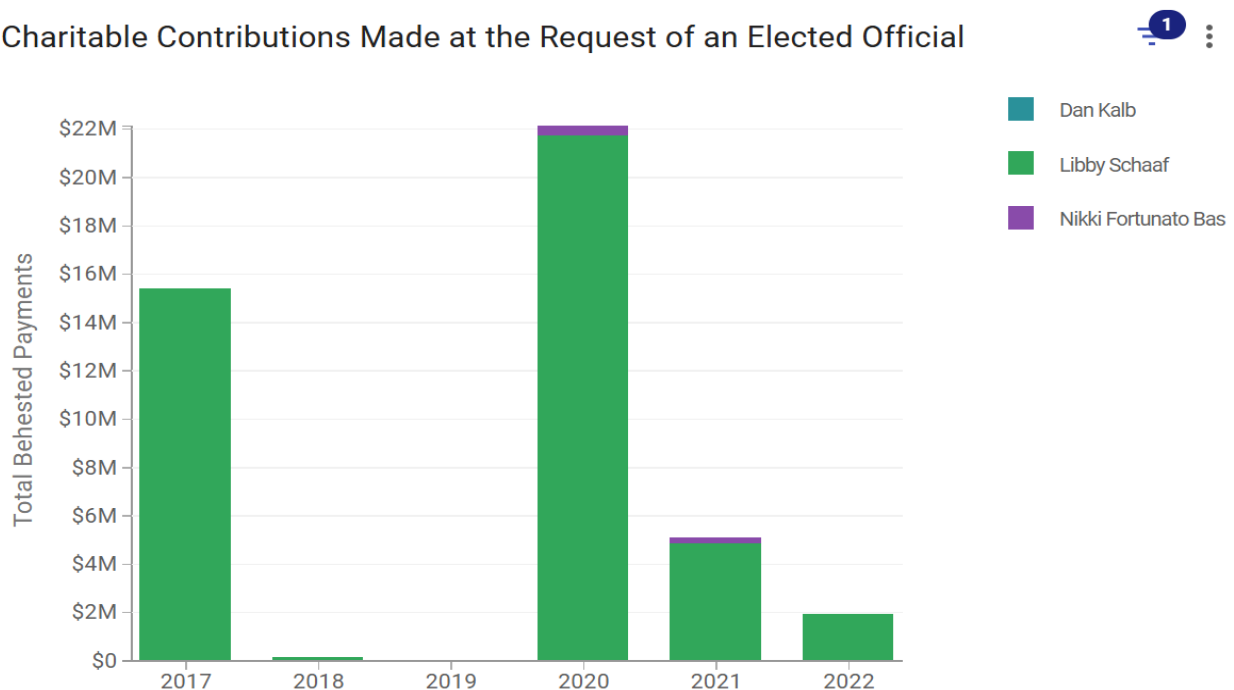
Behested payment reports are made using Form 803 and are filed with the elected official’s agency. A copy of that report must be transmitted to the City’s campaign finance filing officer,

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in this case, the PEC, within 30 days. To assist with the filing process, Oakland provides an [online portal](#) that elected officials may use to fill out their Form 803: the final form may be printed and submitted to their agency, while an electronic copy is automatically transmitted to the PEC. The PEC posts all Form 803 data online for the public to view [here](#).

Based on filings over the past six years, Oakland elected officials, except for former Mayor Libby Schaaf, requested relatively few behested payments over the \$5,000 reporting threshold. No Form 803 was filed in Oakland between 2023 and 2025. However, from 2020 to 2022, former Mayor Schaaf reported almost \$29 million in behested payments, which would exceed by a substantial margin even the officeholder limits proposed here.

### Charitable Contributions Made at the Request of an Elected Official



### Staff Comments/Recommendations:

1. Is there a need to increase the officeholder limits? Oakland elected officials are not currently coming close to their officeholder limits. If the primary reason for this change is to raise substantial sums for community groups, it may be that the same objective can be achieved using behested payments. Alternatively, if the primary goal is to ensure officials have enough funds to cover policy-related activities, like pay for travel for governmental purposes, the existing limits may be sufficient.
2. **Recommendation – Do Not Raise the Officeholder Limits Or Adjust the Limits for CPI Since 1999:** Staff recommends the Commission either recommend (1) not increasing the total annual officeholder fund limits, or (2) increasing the limits to account for approximate inflation since 1999 only.



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OCRA may only be amended to further its purposes. In general, relaxing the limits is likely contrary to OCRA's purposes, which imposed the limits in the first place and has as a purpose preventing elected officials from becoming beholden to major donors. A reason to raise the limits might be if these limits were impeding elected officials from supporting worthy community groups, but there is no strong evidence of that at present. For this reason, staff recommends either keeping the limits the same, or at best adjusting them for inflation since the last time the Council assessed the limits.

If the Commission chooses the later recommendation, only adjusting the officeholder fund annual total contribution limits to account for CPI, Staff recommends adopting the following rounded limits (about double the current limits), which approximate the CPI increase but are easier to remember:

- \$50,000 annual limits for District Councilmembers and School Board Members;
- \$65,000 annual limits for the At-Large Councilmember, City Attorney, and City Auditor (this is a more-than-CPI increase for the Auditor; however, Staff agrees the Auditor should be treated similarly to other citywide officeholders other than the Mayor); and
- \$100,000 annual limits for the Mayor.

### **III. Limited Public Financing Program**

#### **Background**

The Limited Public Financing (LPF) Program is Oakland's traditional campaign financing program. First established in 1999, the Program has provided public financing to support candidates running for City Council District office for more than 20 years. The enumerated purposes of the Program include reducing "the influence of large contributors with a specific financial stake in matters under consideration by the City," countering "the perception that decisions are influenced more by the size of contributions than by the best interests of the people of Oakland," and ensuring "that serious candidates are able to raise enough money to communicate their views and positions adequately to the public." OMC 3.13.030.

In 2022, Oakland voters repealed the LPF, intending to replace the Program with the more robust Democracy Dollars public financing Program. However, when the Democracy Dollars Program was postponed, the City Council, at the PEC's recommendation, voted to extend the LPF through the 2024 election cycle only.

#### **LPF Program Requirements**

The LPF was a reimbursement-based public financing program that applied to City Council District elections only and was administered by the PEC. Prior to 2024, to be eligible for the LPF program, a candidate had to accept voluntary expenditure limits and raise funds from Oakland residents and businesses equal to at least 5% of the expenditure limits, and expend an amount equal to the 5% threshold. Once a candidate qualified for the Program, they could



request reimbursement of certain enumerated types of campaign expenses, like campaign mailers, from the PEC in \$1,000 increments. The PEC had 10 days to review and approve or deny the reimbursement request and disburse the funds to the candidate. Candidates could not receive reimbursements totaling more than 30% of the expenditure limit, or a lesser amount if there were insufficient public funds for every candidate to receive the maximum. In most elections, the upper cap was not used.

#### 2024 Reauthorization & Use

The FY 23-25 budget failed to provide sufficient funds for implementing the Democracy Dollars Program, but did include \$155,000 in discretionary funding for the PEC, which was the same amount that had been appropriated for the LPF Program in prior years. Following passage of the budget, the PEC recommended that the City Council re-adopt a version of the LPF, to ensure that public financing would continue to be available in Council District elections in 2024. The PEC proposal largely re-authorized the LPF that had existed until its repeal under Measure W, but also incorporated some of the policy changes adopted with that ballot measure, like revised expenditure limits and imposing a debate requirement for candidates to receive public funds. (The PEC [August 2023](#) and [October 2023](#) staff reports provide more detail on these changes.) The City Council adopted the PEC proposal, including a section sunsetting the LPF after the 2024 election, in anticipation that the Democracy Dollars Program would be implemented in 2026.

In total, seven Council District candidates –including at least one candidate from each Council district up for election– qualified for the LPF Program in 2024. The Commission distributed all \$155,000 appropriated in the budget, resulting in each qualifying candidate receiving the maximum of \$22,142.85 in eligible reimbursements. For some candidates, including some winning candidates, the LPF disbursement accounted for more than 25% of the total funds raised for their campaigns.

Name	District	Total Funds Dispersed
Zac Unger	1	\$22,142.85
Carroll Fife	3	\$22,142.85
Warren Logan	3	\$22,142.85
Noel Gallo	5	\$22,142.85
Erin Armstrong	5	\$22,142.85
Ken Houston	7	\$22,142.85
Iris Merriouns	7	\$22,142.85
	<b>TOTAL</b>	<b>\$154,999.95</b>

This is similar to the maximum potential reimbursement provided in 2020 (\$21,857), but lower than the distribution in 2022 (\$35,400) when there were fewer candidates.

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### Proposal

The LPF presently specifies that it may only be used for the 2024 election cycle. This proposal would amend that section to specify that the LPF may be used by candidates for Council District Office running in the 2026 and 2028 election cycles, *subject to appropriation in the budget*. The Section specifies that the LPF shall not apply to any City Council District election for which the Commission projects that the amount of Democracy Dollars proceeds available is at least \$30,000 per certified candidate for that City Council District office (i.e., the same standard for reverting back to lower campaign contribution limits).

According to the proponents:

“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.

“Since the Limited Public Financing Act of 2024, as referenced above, only applied to the 2024 general election, 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. This is intended to temporarily bridge the gap in potential funding sources for candidates due to unavailability of the Democracy Dollars program coupled with severe cuts to the Limited Public Financing program. Reinstating Limited Public Financing will help ensure 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.”

### Staff Comments/Recommendation

1. Subject to appropriation (vs mandatory). Prior to the passage of Measure W, the Municipal Code required that funding be provided for the LPF, although not the precise amount. This proposal makes implementation of the LPF subject to appropriation in the budget, which is a discretionary Council action. In other words, if this proposal passes, the LPF is not automatically re-established unless the Council also provides funds in the budget for the LPF. (In recent cycles, the LPF has been funded at \$155,000 over two years, or \$77,500 per year.)
2. **Recommendation – Support:** Staff recommends supporting this proposal. If, as appears likely the Democracy Dollars Program will not be available in 2026, the LPF

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should be renewed so that Oakland does not go without public financing in 2026. In 2022 Oakland voters voted overwhelmingly to strengthen public financing in Oakland with the adoption of the Democracy Dollars Program: entirely repealing all public financing in 2026, for the first time in more than 20 years, would be directly contrary to the will of Oakland voters and would result in candidates for City Council being even more reliant on wealthy donors to support their campaigns.

*If this proposal is amended to increase contribution limits for the 2026 election only (and not automatically for 2028 as well), staff recommends that the LPF similarly only be extended for the 2026 cycle only.* However, if this proposal continues to increase contribution limits for the 2028 cycle on the presumption that the Democracy Dollars Program will not be available in 2028, then the LPF should be extended to 2028 upon the same rationale.

### **Additional Attachments:**

- Councilmembers Ramachandran, Houston, and Jenkins Memo
- Draft Proposal Language