



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Toni J. Taber, City Clerk

SUBJECT: CAMPAIGN FINANCE
REGULATIONS COST ESTIMATE

DATE: June 3, 2021

BACKGROUND

At its meeting on November 18, 2020, the Rules and Open Government Committee discussed Campaign Finance Regulations as submitted in a memorandum authored by Councilmember Jimenez. The full discussion was referred to the City Council on April 20, 2021 where City Council approved the memorandum authored by Councilmember Jimenez directing staff to return to Council with ordinances that strengthen the City's local campaign finance regulations and policies, provide options for new campaign finance regulations, and to prepare budget estimates, as needed, for the work necessary to implement the recommendations in the approved memorandum as conveyed through this City Manager's Budget Addendum (MBA) for the 2021-2022 budget.

The purpose of this MBA is to respond with preliminary cost estimates for the resources necessary to implement the work that would need to occur if the City Council were to approve the above-referenced ordinances, which is likely to occur in fall 2021. However, it is important to note that, as the research and related work to develop the ordinances is in its early stages, the cost estimates discussed below are preliminary to illustrate the type of work that may be required. These estimates will need to be modified once a more definitive scope of the ordinances is known. The City Council would also need to provide direction for inclusion into a future budget process.

ANALYSIS

The intent of the City Council is to: be more proactive in creating policies to increase transparency; enhance campaign disclosures; enhance the City's finance disclosure web portal; and examine new policies and regulations. For the elements of the ordinance that would result in increased public accessibility to information, the City already owns the software that collects the necessary data but would need the personnel to adequately retrieve and analyze it. The example website from Councilmember Jimenez's memo is a dashboard of data reviewed and analyzed manually by staff and cannot be done with the software at this time.

The San Francisco Ethics Commission, which is the model the City Council has referenced, has a staff of 24 people broken into Administration (2), Enforcement and Legal Affairs (6), Audits (4), Electronic Disclosure & Data Analysis (4), Policy (2), and Engagement & Compliance (6). The City of San José's current Board of Fair Campaign and Political Practices (BFCPP) has an outside counsel for investigations, plus internal City Attorney's Office counsel to draft legislation and provide advice. The City of San José has no comparable staff for the auditing, data analysis, policy, or engagement and compliance functions provided by the San Francisco Ethics Commission.

The four positions listed below at an estimated ongoing cost of \$578,000 would bring a more robust, proactive, and transparent elections reporting to a city of one million and would likely support the intent of the City Council direction provided on April 20th:

- Senior Analyst (\$173,000) to analyze policies and review for compliance of the filed forms and meet with candidates.
- Analyst (\$141,000) to analyze the data and present the data in a dashboard similar to those of the San Francisco Ethics Commission.
- Public Information Representative (\$135,000) to redesign and maintain the website making the information and data more transparent and easier to navigate.
- Staff Specialist (\$129,000) to provide administrative support to the BFCPP and elections team.

As stated in the Background section above, these estimates will need to be revisited once the requested ordinances are drafted, which is not anticipated until fall 2021. The City Council would also need to provide direction for inclusion into a future budget process.

COORDINATION

This memo has been coordinated with the City Attorney's Office and the City Manager's Budget Office.



TONI J. TABER
City Clerk