

City of Philadelphia



(Bill No. 060629)

AN ORDINANCE

Amending and clarifying the campaign finance provisions of Chapter 20-1000 of The Philadelphia Code; in particular, defining, for purposes of the Chapter, what it means to be a “candidate” for City elective office; prohibiting the acceptance of contributions in excess of the contribution limits; prohibiting candidates from spending the amount of any contribution in excess of the contribution limits, including any excess contributions made before a person became a candidate; providing that if one candidate makes contributions of his or her own resources in excess of a specified amount to his or her own campaign, then the contribution limits for all other candidates will be increased; providing for enforcement, including the imposition of civil penalties, by the Board of Ethics; and making certain technical changes; all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Chapter 20-1000 of The Philadelphia Code is hereby amended to read as follows:

CHAPTER 20-1000. [CAMPAIGN] *POLITICAL* CONTRIBUTIONS AND EXPENDITURES.

§20-1001. Definitions. *For purposes of this Chapter, the following definitions shall apply:*

- (1) *Candidate.*
 - (a) *An individual who files nomination papers or petitions for City elective office;*
 - (b) *An individual who publicly announces his or her candidacy for City elective office.*
- (2) *Candidate political committee. The one political committee used by a candidate to receive all contributions and make all expenditures as required by §20-1003.*
- (3) *City elective office. The offices of Mayor, District Attorney, City Controller, Register of Wills, Sheriff, Clerk of Quarter Sessions, City Commissioner or City Council.*

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[(2)] (4) Contribution. Money, gifts, forgiveness of debts, loans, or things having a monetary value incurred or received by a candidate or his/her agent for use in advocating or influencing the election of the candidate.

[(1)] (5) Covered election. Every primary, general or special election for [Mayor, District Attorney, City Controller, Register of Wills, Sheriff, Clerk of Quarter Sessions Court, City Commissioner and City Council] *City elective office*.

(6) Election Reform Board. A nonpartisan, non-governmental entity to be created that will execute and monitor voluntary contracts for [campaign] expenditure limitations and will include representation from the League of Women Voters of Philadelphia and/or the Committee of Seventy.

(7) *Excess pre-candidacy contributions. The amount of a person or committee's pre-candidacy contributions to a particular political committee that, had the contributions been made to a candidate for elective City office, would have been in excess of the contribution limitations set forth in subsections 20-1002(1) or 20-1002(2).*

[(3)] (8) Expenditure. The payment, distribution, loan or advancement of money or any valuable thing by a candidate, political committee or other person for the purpose of influencing the outcome of a covered election.

[(4)] (9) Person. [Any actual] *An individual, [any business] partnership, corporation, sole proprietorship, or other form of business organization [permitted under the laws of the Commonwealth to make political contributions].*

[(5)] (10) Political Committee. Any committee, club, association, political party, or other group of persons, including the [campaign] *candidate political* committee of a candidate for office in a covered election, which receives contributions or makes expenditures for the purpose of influencing the outcome of a covered election.

(11) *Pre-candidacy contribution. A contribution made to a political committee that: (a) has been transferred to, or otherwise becomes available for expenditure by, a candidate for City elective office; and (b) was made before such candidate became a candidate.*

§20-1002. [Campaign] Contribution Limitations.

(1) [No] *Except as provided in subsection (6), no individual shall make total contributions per calendar year, including contributions made to or through one or more political committees, of more than two thousand five hundred dollars (\$2,500) to a candidate for [Mayor, District Attorney, City Controller, Register of Wills, Sheriff, Clerk of Quarter Sessions Court, City Commissioner or City Council] City elective office.*

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(2) [No] *Except as provided in subsection (6), no person, other than individuals who are covered under §20-1002(1), and no political committee shall make total contributions per calendar year of more than ten thousand dollars (\$10,000) to a candidate for [Mayor, District Attorney, City Controller, Register of Wills, Sheriff, Clerk of Quarter Sessions Court, City Commissioner or City Council] City elective office.*

(3) During those calendar years in which a covered election is not occurring, candidates shall be limited in receiving political committee contributions [to campaigns for such office] as follows:

(i) candidates for Mayor may receive political committee contributions totaling no more than two hundred fifty thousand dollars (\$250,000) per year;

(ii) candidates for District Attorney and City Controller may receive political committee contributions totaling no more than one hundred thousand dollars (\$100,000) per year;

(iii) candidates for City Council, Register of Wills, Sheriff, Clerk of Quarter Sessions Court and City Commissioner may receive political committee contributions totaling no more than seventy-five thousand dollars (\$75,000) per year.

(4) *No candidate may spend any excess pre-candidacy contributions for the purpose of influencing the outcome of a covered election in which he or she is a candidate, nor may any candidate political committee spend any excess pre-candidacy contributions for such purpose, including, but not limited to, the purpose of paying any expenses of such candidate political committee.*

(5) *A pre-candidacy contribution made in the same calendar year that a person becomes a candidate shall count toward the limitations on contributions set forth in paragraphs (1) and (2).*

[(4)] (6) The limitations imposed by this Chapter shall not apply to contributions from a candidate's personal resources to the candidate's [own campaign] *candidate political committee. However, if such contributions total \$250,000 or more (regardless of the time period over which such contributions are made), then the contribution limits set forth in this Section for all other candidates for that City elective office shall double.*

[(5)] (7) The limitations imposed by this subsection shall not apply to volunteer labor.

[(6)] (8) On January 1, 2008 and on January 1 every four years thereafter, the maximum amounts set forth in §20-1002(1) and (2) shall be adjusted, as follows. On the

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December 15 immediately preceding the adjustment, the Finance Director shall calculate the "CPI Multiplier" by dividing the average consumer price index for Philadelphia during the then-current calendar year by the average consumer price index for Philadelphia during calendar year 2005. To determine the average consumer price index for Philadelphia, the Finance Director shall use the latest available figures for the Consumer Price Index for all urban Consumers (CPI-U) All Items Index, Philadelphia, Pennsylvania, as measured by the United States Department of Labor, Bureau of Labor Statistics. After calculating the CPI Multiplier, the Finance Director shall calculate the new maximum amounts as follows:

(i) The maximum amount for purposes of §20-1002(1) shall equal \$2,500, multiplied by the CPI Multiplier, rounded to the nearest \$100.

(ii) The maximum amount for purposes of §20-1002(2) shall equal \$10,000, multiplied by the CPI Multiplier, rounded to the nearest \$100.

The Finance Director shall certify the new maximum amounts in writing to the Mayor, the City Council President and Chief Clerk of Council.

(9) *No candidate for City elective office, and no political committee, shall accept any contribution which exceeds the contribution limits set forth in this Chapter.*

§20-1003. [Campaign] *Candidate Political Committee* Accounts.

A candidate for [Mayor, District Attorney, City Controller, Register of Wills, Sheriff, Clerk of Quarter Sessions Court, City Commissioner or City Council] *City elective office* shall have no more than one [campaign] *political* committee and one checking account for the city office being sought, into which all contributions for such office shall be made, and out of which all [campaign] expenditures for that office shall be made. If the candidate for office maintains other political or non-political accounts for which contributions are solicited, such funds collected in these accounts shall not be used for *the purpose of influencing the outcome of a covered election* [any campaign for municipal office].

§20-1004. [Campaign] *Candidate* Expenditure Limitations.

(1) [Campaign] *Expenditure* Contract.

(a) Effective for the elections for District Attorney and City Controller in the year 2005, and Mayor, Register of Wills, Sheriff, Clerk of Quarter Sessions Court, City Commissioner and City Council in the year 2007 and thereafter, a candidate seeking election to any of said offices may sign a contract with the Election Reform Board to abide by limitations on [campaign] expenditures and agreeing to report his/her

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contributions and expenditures to the Election Reform Board to be publicly posted on a website developed by the Election Reform Board.

(b) The [campaign] *expenditure* contract for a particular covered election may be signed by an individual candidate no later than the last date upon which such individual may withdraw as an official candidate in said election.

(c) A candidate may sign [a campaign] *an expenditure* contract limiting his/her overall [campaign] expenditures as specified in §20-1004(2).

(2) Expenditure Limitations.

A candidate who signs [a campaign] *an expenditure* contract in accordance with this Chapter shall not make expenditures per covered election in excess of the following amounts:

Mayor \$2,000,000

District Attorney \$500,000

City Controller \$500,000

City Council \$250,000

Register of Wills \$250,000

Sheriff \$250,000

Clerk of Quarter Sessions Court \$250,000

City Commissioner \$250,000

§20-1005. Injunctive Relief.

Any person residing in the City of Philadelphia, including the City Solicitor may bring an action for injunctive relief in any Court of competent jurisdiction to enjoin any violations of, or to compel compliance with, the provisions of this Chapter. The Court may award to a prevailing plaintiff in any such action his or her costs of litigation, including reasonable attorney's fees.

§20-1006. *Required Notice of Contribution Limits.*

(1) *The Board of Ethics shall, at least every six months, arrange for the publication in the three newspapers with the largest circulation in the City and in such*

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other newspapers as the Board shall determine, of a notice setting forth the contribution limits set forth in this Chapter, together with a plain English explanation of the provisions of this Chapter and the penalties and remedies for violations. Such notice shall also appear at all times on the City's official website.

§20-1007. Penalties. A violation of this Chapter shall be punishable by a civil penalty in the amount set forth in §20-612 (relating to violations of the Standards of Conduct and Ethics). The provisions of this Chapter shall be subject to the jurisdiction of the Board of Ethics under §20-606, including, but not limited to, the Board's powers and duties relating to education, training, issuance of advisory opinions, receipt of complaints, investigations, referral, and adjudication.

SECTION 2. Effective Date; Implementation.

- (1) Effective date. This Ordinance shall take effect thirty (30) days after it becomes law.
- (2) The first public notice required by §20-1006 of The Philadelphia Code shall be published within thirty (30) days after this Ordinance takes effect.

Explanation:

[Brackets] indicate matter deleted.
Italics indicate new matter added.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on October 26, 2006. The Bill was Signed by the Mayor on November 16, 2006.



Patricia Rafferty
Chief Clerk of the City Council