ORDINANCE NO. 1979

AN ORDINANCE OF THE CITY OF SANTA CLARA, CALIFORNIA, AMENDING CHAPTER 2.130 OF "THE CODE OF THE CITY OF SANTA CLARA, CALIFORNIA" TO ENACT REGULATIONS REGARDING CONTRIBUTIONS INFLUENCING LOCAL CITY ELECTIONS (DARK MONEY)

BE IT ORDAINED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, the Ethics Committee of the City Council of the City of Santa Clara has considered the effects of financial contributions that have not been disclosed with respect to campaign activities;

WHEREAS, the Ethics Committee has determined that existing state and local regulations regarding campaign contribution disclosures can be enhanced by additional local regulations; and,

WHEREAS, the City Council desires to enact an ordinance to provide maximum transparency to the voters of the City regarding the origin of financial support for and against local election campaigns.

NOW THEREFORE, BE IT FURTHER ORDAINED BY THE CITY OF SANTA CLARA, AS FOLLOWS:

SECTION 1: That a new Article is added to Chapter 2.130 (entitled "Political Campaign Finance Reform Act") of Title 2 (entitled "Administration & Personnel") of "The Code of the City of Santa Clara, California," ("SCCC") to read as follows:

"Article X. Dark Money

2.130.320 Purpose.

The purpose of this Article is to provide the maximum transparency to the voters of the City of Santa Clara about who is spending money on local campaigns and to create specific disclosure requirements for contributions to organizations that have historically refused to disclose contributions ("Dark Money").

2.130.330 Interpretation and Regulation.

(a) This Article is intended to be interpreted consistently and as an enhancement to the provisions of the California Government Code and the regulations of the California Fair Political Practices Act.

(b) The City Manager, or designee, is hereby authorized to adopt such regulations and forms as to facilitate the interpretation of this Article and to provide such forms necessary for the filing of the required disclosures.

2.130.340 Mandatory Disclosure.

All contributions of One Hundred Dollars ($100) or more to any organization, including but not limited to Multipurpose Organizations as such organizations are defined in Government Code Section 84222, that makes expenditures that affect or are intended to affect a local Santa Clara election to City office or for or against a local Santa Clara ballot measure shall be reported in the same manner as campaign contributions are required to be reported under section 2.130.280 of this Chapter.

2.130.350 Presumptions.

It shall be presumed that if any Multipurpose Organization makes a contribution of One Hundred Dollars ($100) or more to an entity that qualifies as a recipient committee under Government Code Section 84211, the source of the contributions to the Multipurpose Organization shall be subject to the mandatory disclosure requirements of this Article.

2.130.360 Enforcement.

(a) The provisions of this Article X shall be enforceable as set forth in Article VI of this Chapter.

(b) The provisions of this Article X are hereby incorporated into all contracts of the City, the Santa Clara Stadium Authority, the Santa Clara Housing Authority, and the Sports and Open Space Authority as provisions of law to which all parties to such contract are subject. The

violation of this Article shall be considered a material breach of the contract by a contracting party and grounds for termination of the contract. A contracting party shall be considered in violation of this section if the contracting party fails to disclose contributions made by the contracting party or by an intermediary of the contracting party or by contribution of earmarked funds as defined and regulated by section 18432 of the Government Code."

SECTION 2: Savings clause. The changes provided for in this ordinance shall not affect any offense or act committed or done or any penalty or forfeiture incurred or any right established or accruing before the effective date of this ordinance; nor shall it affect any prosecution, suit or proceeding pending or any judgment rendered prior to the effective date of this ordinance. All fee schedules shall remain in force until superseded by the fee schedules adopted by the City Council.

SECTION 3: Effective date. This ordinance shall take effect thirty (30) days after its final adoption; however, prior to its final adoption it shall be published in accordance with the requirements of Section 808 and 812 of "The Charter of the City of Santa Clara, California.

PASSED FOR THE PURPOSE OF PUBLICATION this 24th day of APRIL, 2018, by the following vote:

AYES:	COUNCILORS:	Caserta, Davis, Mahan, O'Neill, and Watanabe and Mayor Gillmor
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	Kolstad
ABSTAINED:	COUNCILORS:	None

ATTEST:

JENNIFER YAMAGUMA
ACTING CITY CLERK
CITY OF SANTA CLARA

FINALLY PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA this 15th day of MAY, 2018, by the following vote:

AYES:	COUNCILORS:	Davis, Kolstad, Mahan, O'Neill, and Watanabe and Mayor Gillmor
NOES:	COUNCILORS:	None
ABSENT:	COUNCILORS:	None
ABSTAINED:	COUNCILORS:	None

ATTEST: _____
JENNIFER YAMAGUMA
ACTING CITY CLERK
CITY OF SANTA CLARA