

## SUMMARY and FISCAL NOTE\*

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
Ethics and Elections LEG	Wayne Barnett Patricia Lee/386-0078	

*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

### **1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to elections; raising limits of certain items on the statement of financial affairs in conformity with state law; changing deadlines and definitions related to the democracy voucher program to align better with other state and City practices; creating a crime of falsifying democracy voucher program qualification information; making technical corrections to and reorganizing and clarifying the content of the democracy voucher program; and amending Sections 2.04.165 and 2.04.370 and Chapter 2.04, Subchapter VIII of the Seattle Municipal Code.

#### **1. Summary and background of the Legislation:**

Initiative I-122 was passed by the voters of Seattle in November of 2015 and codified in SMC 2.04. This legislation, if enacted would enact several changes recommended by the Seattle Ethics and Elections Commission (SEEC). Major changes include:

- a. Replaces thresholds for reporting financial interests to the thresholds in place prior to the passage of I-122, to reflect changes that were made by Director's Rules prior to I-122. (SMC 2.04.165)
- b. Allows the SEEC to adjust the contribution limit amounts to amounts "convenient for public understanding". The current requirement is that the limited be adjusted to the nearest \$5 or \$10. (SMC 2.04.370)
- c. Democracy Vouchers will be mailed no later than the first business day in March. Currently they are mailed the first business day of January. (SMC 2.04.620)
- d. Democracy Vouchers will be mailed to all "active" registered voters but no longer mailed to "inactive" registered voters (SMC 2.04.620)
- e. A person assigning a Voucher will no longer be required to write the name of the candidate. (SMC 2.04.624)
- f. If a candidate in the Democracy Voucher program does not participate in three debates the SEEC may assess the candidate a penalty. Currently, the SEEC can only to disqualify the candidate from the program. (SMC 2.04.630)
- g. Replaces the phrase "campaign spending limit" with phrase "maximum campaign valuation" to recognize campaign fundraising also counts toward the limit.
- h. Clarifies that if a candidate is released from the "maximum campaign valuation" they can not redeem vouchers once they have reached that valuation. (SMC 2.04.634)
- i. Adds crime of falsifying qualification information to crimes created by I-122. (SMC 2.04.694)

### **2. CAPITAL IMPROVEMENT PROGRAM**

**a. Does this legislation create, fund, or amend a CIP Project? \_\_\_ Yes \_\_\_X No**

If yes, please fill out the table below and attach a new (if creating a project) or marked-up (if amending) CIP Page to the Council Bill. Please include the spending plan as part of the attached CIP Page. If no, please delete the table.

### 3. SUMMARY OF FINANCIAL IMPLICATIONS

**a. Does this legislation amend the Adopted Budget? \_\_\_ Yes \_\_\_X No**

If there are no changes to appropriations, revenues, or positions, please delete the table below.

**b. Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?**

No.

**c. Is there financial cost or other impacts of *not* implementing the legislation?**

The proposed change to mail Democracy Vouchers only to “active” registered voters and no longer automatically mail them to “inactive” voters is estimated to save the Seattle Ethics and Elections Commission (SEEC) approximately \$34,000 for each mailing.

### 4. OTHER IMPLICATIONS

**a. Does this legislation affect any departments besides the originating department?**

No

**b. Is a public hearing required for this legislation?**

No.

**c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**

No

**d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

No.

**e. Does this legislation affect a piece of property?**

No

**f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**

The Democracy Voucher program was a citizen initiative, I-122 passed by the voters in November 2015. The intent was to provide for a broader participation in campaign financing of local political offices, specifically, Mayor, City Councilmembers, and the City Attorney. Campaign spending limits were also envisioned to make running for political office more financially feasible enabling a broader spectrum of potential candidates.

**g. If this legislation includes a new initiative or a major programmatic expansion:**

**What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).**

**No**

**List attachments/exhibits below:**