

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Legislative	Lish Whitson/(206) 615-1674	

** 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 related to elections; prohibiting foreign-influenced corporations from making independent expenditures or contributing to campaigns and independent expenditure committees; amending Sections 2.04.010, 2.04.260, 2.04.270, 2.04.360, and 2.04.370 of the Seattle Municipal Code (SMC); and adding a new Section 2.04.400 to the SMC.

Summary and background of the Legislation:

This bill would amend the City’s regulations regarding campaign finance limits and reporting of campaign expenditures. It addresses a gap in the City’s election regulations that can undermine the integrity of the City’s elections by allowing foreign influence in campaigns and increase the risk of corruption or the appearance of corruption, including quid pro quo corruption through campaign contributions and independent expenditures by foreign-influenced corporations.

The bill would prohibit contributions from foreign-influenced corporations to both campaigns and independent expenditure committees. It would define “foreign-influenced corporation,” “foreign investor” and “foreign owner.” The bill requires corporations that intend to make contributions to campaigns or independent expenditure committees to certify that they are not foreign-influenced corporations. It prohibits campaigns and independent expenditure committees from accepting contributions from foreign-influenced corporations.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? Yes No

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?

The Seattle Ethics and Elections Commission has indicated that they would require additional staff to enforce these and existing regulations. One Strategic Advisor 1 position to enforce these and other Election regulations would cost approximately \$149,000 in 2020.

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

None identified

3.a. Appropriations

___ This legislation adds, changes, or deletes appropriations.

3.b. Revenues/Reimbursements

___ This legislation adds, changes, or deletes revenues or reimbursements.

3.c. Positions

___ This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?**
The Seattle Ethics and Elections Commission would enforce the legislation.
- 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? What is the Language Access plan for any communications to the public?**
None identified.
- 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).**
Not applicable.

List attachments/exhibits below:

None