



## OFFICE OF THE CITY CLERK

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## CITY COUNCIL STAFF REPORT

Meeting: July 7, 2020

### Subject

Ordinance adding Chapter 2.20.120 to the Cupertino Municipal Code requiring online or electronic filing of campaign statements; Update on City website tool for publishing campaign finance data.

### Recommended Action

1. Receive update on City website tool for publishing campaign finance expenditures and contributions; and
2. Conduct the first reading of Ordinance No. 20-\_\_\_\_: “An Ordinance of the City Council of the of the City of Cupertino adding City Code Section 2.20.120 (Electronic Filing) to Title 2 (Administration and Personnel)” relating to electronic filing of campaign statements.

### Description

Government Code 84615 allows a local government agency to mandate online or electronic filing for an elected officer, candidate, committee, or other person who is required to file statements, reports, or other documents under the Political Reform Act, so long as the filer receives contributions or makes expenditures totaling one thousand dollars (\$1,000) or more in a calendar year. The law prescribes criteria that must be satisfied by a local government agency to require online or electronic filing of statements, reports or other documents. The system must be available free of charge to filers and the public for viewing filings, and must include a procedure for filers to comply with the requirement that they sign statements and reports under penalty of perjury.

The online or electronic filing system shall only accept a filing in the standardized record format that is developed by the Secretary of State and is compatible with the Secretary of State’s system for receiving an online or electronic filing. The City Clerk’s Department is currently under contract with Granicus, who also administers the electronic filing system for statements of economic disclosure (commonly known as Form 700s) from designated

public officials and employees. Granicus is certified by the Secretary of State to provide this service.

The California Fair Political Practices Commission (FPPC) supports and encourages efforts to move from a paper-based reporting system to a more transparent electronic system. Electronic filing makes it easier for officials to comply with reporting obligations and provides the public with the information in a more accessible and consistent format.

### Discussion

The City Clerk's office accepts filings of campaign statements disclosing contributions to local candidate and ballot measure campaigns. Electronic filing reduces the staff time required to process the campaign forms and eliminates the cost of storage for paper filings. Additional filing officer benefits include contribution and expenditure tracking, instant access to information, and proactive measures to reduce the number of later filers. The benefits for filers include providing multiple prompts to ensure timely filing, storing previous statements for user ease, and permitting a single filing for multiple offices. To facilitate the full transition to electronic filing, the City Clerk's Office will continue to provide detailed instructions and one-on-one training.

The following cities and counties have converted to online or electronic campaign financing filing requirements, including Alameda, American Canyon, Berkeley, Capitola, Chico, Cotati, Davis, Dublin, Fresno, Gilroy, Half Moon Bay, Hayward, Livermore, Los Gatos, Manteca, Menlo Park, Morgan Hill, Mountain View, Napa, Oakland, Palo Alto, Patterson, Pleasanton, Richmond, Sacramento, Salinas, San Francisco, San Jose, San Leandro, San Luis Obispo, San Mateo, Santa Clara, Santa Cruz, Santa Rosa, Sausalito, St. Helena, Stockton, Sunnyvale, Watsonville, West Sacramento, and the Town of Yountville, Alameda County, Butte County, Contra Costa County, Del Norte County, Madera County, Marin County, Merced County, Monterey County, Nevada County, Placer County, Sacramento County, San Francisco City/County, San Joaquin County, San Mateo County, Santa Clara County, Santa Cruz County, and Shasta County.

The Draft Ordinance (Attachment A) would require all campaign statements to be filed electronically and incorporate the safeguards required by State law, including:

1. The system must ensure the integrity of the data and includes safeguards against efforts to tamper with, manipulate, alter or subvert the data
2. The system must only accept a filing in the standardized record format developed by the Secretary of State and compatible with the Secretary of State's system for receiving an online or electronic filing
3. The system must be available free of charge to filers and to the public for viewing filings.

### Update on Website Tool to Publish Campaign Finance Data

On May 5, Council expressed an interest in implementing a City website tool for publishing campaign finance data. The data collection would include a tracking mechanism for contributions and expenditures for candidates and committees. The data would be featured in a campaign analysis dashboard for placement on the City's Elections webpage.

The Innovation Technology Applications Division has developed a tool for paper-based filings received prior to the implementation of the electronic filing system. The application has the ability to extract the majority of data from all associated contribution and expenditure campaign statements. The campaign detail includes the candidate and committee, contributor and recipient (if the same contributor has donated to, or the recipient has received contributions from, multiple committees), as well as individual and cumulative amounts of the above factors.

The extraction tool also requires a manual process of individually inputting each expenditure and contribution line item. Staff time spent preparing paper filings for public access on the City website includes scanning, redacting personal information, and maintaining a filer log. The electronic filing system will generate various automated reports to provide the same information as described for the campaign dashboard. Any electronically entered information is searchable by the filer, filing officer, and members of the public. A requirement to file all campaign statements electronically would ensure consistent and accurate tracking of form data.

### Fiscal Impact

The contract amendment with CampaignDocs from Granicus for e-filing and system administration for the campaign system is \$3,415 annually. Funding for the first year was included in the last budget cycle of Fiscal Year (FY) 2019-2020.

### Sustainability Impact

None

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Prepared by: Kirsten Squarcia, City Clerk

Approved for Submission by: Dianne Thompson, Assistant City Manager

Attachments:

A - Draft Ordinance