

MEASURE W - FAIR ELECTIONS ACT

THE QUESTION

Shall the Measure amending the Oakland Municipal Code and City Charter to establish resident public financing for candidate election campaigns, increase transparency regarding independent spending in City elections,

- further restrict former city officials from acting as lobbyists,
- and provide additional resources to the Public Ethics Commission for implementation be adopted?

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THE SITUATION

Individuals and organizations who provide campaign funds to political candidates can have significant influence because running a viable campaign for public office requires large amounts of money. In Oakland, a small percentage of the population provides most of the money for campaigns.

The alternative to reliance on private donors is an effective public campaign financing program. Oakland has a very small public financing program that provides limited reimbursement for some campaign expenses of City Council candidates. It has not reduced the pressure to fundraise on candidates for other offices and even City Council candidates must still raise a significant amount. Neither has the existing program increased the number of candidates pursuing local office or the number and power of small donors.

FISCAL EFFECT

The Act does not raise new taxes. Funding would come from Oakland's General Fund. Estimated costs are three-fold:

- One-time startup costs (\$700,000 in FY 2023-24)
- Annual ongoing administrative expenses of
- four additional staff for the Public Ethics
- Commission plus \$350,000 biannually for non-staff costs.
- Biannual funding to the candidates via the Democracy Dollars (\$2 million/year; \$4 million/2-year budget cycle).

REASONS TO SUPPORT

- Measure W gives all candidates a path to public office.
- It requires that participating candidates take part in public debates, creates more transparency about who pays for campaign ads, extends limits on lobbying by former city officials, and caps campaign. contributions for candidates who use public funds.
- In the Seattle program, the number and diversity
 of candidates have increased steadily over three
 election cycles and citizen participation in local elections
 has also increased across race, age, and income categories.
- Public financing can motivate more representative candidates to run and more residents to vote.

A YES VOTE MEANS

THE PROPOSAL

Measure W, the Oakland Fair Elections Act, proposes a new public financing program for Oakland modeled on a successful Seattle initiative. Each registered voter and other eligible residents who request vouchers will receive four \$25 vouchers (known as "Democracy Dollars") to be donated to the candidate(s) of their choice who are running for Mayor, City Auditor, City Attorney, Councilmember, or School Board Director.

Candidates must apply to be eligible to receive vouchers. In return, they must agree, among other things, to limit total spending and provide regular spending reports. The Public Ethics Commission will administer the program, including creating and distributing vouchers, educating the community about the process, auditing candidate spending, and issuing a public report after each election.

The Act also

- Requires that the three highest contributors to a campaign be disclosed on all material from independent expenditure groups supporting or opposing Oakland candidates or measures;
- Extends the lobbying ban on former City
 Councilmembers and senior city officials from one year to two years after leaving office;
- Lowers the individual campaign contribution limit to \$600 and the contribution limit from broad-based political committees to \$1200.

REASONS TO OPPOSE

- Voucher systems cost more to implement than other public financing systems such as matching funds.
- Existing data from Seattle shows that program participation in initial election cycles is disproportionately higher among more experienced voters.
- Oakland has more immediate and urgent
- needs on which to spend its funds.
- Candidates may opt out and accept large contributions from individuals and organizations.

A NO VOTE MEANS

Oakland will not adopt the Oakland Fair Elections Act.

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