

Council Committee Agenda Item Referral

Council Member or Executive Sponsor:

Mayor Steve Adler

Description of Item:

Draft resolution to instruct city staff to draft an ordinance and commentary for the Committee's consideration, no later than the Committee's regular meeting in January 2016 that : 1) reviews other jurisdiction's dark money laws and proposals; 2) identifies those timely and effective laws that ensure comprehensive disclosure of election contributions and expenditures that are funneled through 501(c)(4) non-profit organizations and other non-disclosing entities and persons, and 3) recommends a proposed comprehensive, effective dark money ordinance that includes provisions such as defining political activity, setting an appropriate level of entity political activity to trigger disclosure, specifying the form and timing of disclosure, distinguishing among political contributions, restricted non-political funds and general operational funds used for political purposes, using last-in, first out accounting or other means for identifying the source of political expenditures, and regulating covered transactions and other means to use multiple entities to evade disclosure, ensure effective enforcement, and integrate the proposed ordinance effectively with the state and city's other campaign disclosure laws.

Actions taken to date:

None.

NOTES: Draft resolution is attached.

Council Committee Assigned:

- ☒ Audit and Finance
- ☐ Austin Energy Oversight Committee
- ☐ Economic Opportunity Committee
- ☐ Health and Human Services Committee
- ☐ Housing and Community Development Committee

- ☐ Mobility Committee
- ☐ Open Space, Environment and Sustainability Committee
- ☐ Planning and Neighborhoods Committee
- ☐ Public Safety Committee
- ☐ Public Utilities Committee

Mayor Signature & Date:



RESOLUTION NO.

WHEREAS, to ensure fair and transparent city elections, Austin's voters have a right to know before they vote the persons and entities that are funding election activity;

WHEREAS, the United States Supreme Court has held repeatedly that disclosure of campaign funding is constitutional and essential to the public's faith in our democratic process;

WHEREAS, in an attempt to hide their funding of election activity, large political actors across the country have been funding such activity through non-profit organizations and other entities that generally do not have to disclose their funding sources (hereafter "dark money");

WHEREAS, the rise of dark money undermines our election disclosure laws, preventing transparency of campaign contributions and expenditures;

WHEREAS, dark money has grown exponentially at the federal and state levels, has begun to be employed in Austin elections, and is likely to expand rapidly in the future in Austin elections if not addressed;

WHEREAS, other jurisdictions, such as California, have passed and implemented effective laws that require timely public disclosure of heretofore dark money; and

WHEREAS, an effective dark money city ordinance needs to be in place at least 6 months before Austin's 2016 November election to ensure election funding transparency.

NOW, THEREFORE,

BE IT RESOLVED BY THE AUDIT AND FINANCE COMMITTEE OF THE CITY OF AUSTIN:

The City Manager is directed to draft an ordinance and commentary for the Committee's consideration, no later than the Committee's regular meeting in November 2015 that : 1) reviews other jurisdiction's dark money laws and proposals; 2) identifies those timely and effective laws that ensure comprehensive disclosure of election contributions and expenditures that are funneled through 501(c)(4) non-profit organizations and other non-disclosing entities and persons,

and 3) recommends a proposed comprehensive, effective dark money ordinance that includes provisions such as define political activity, set an appropriate level of entity political activity to trigger disclosure, specify the form and timing of disclosure, distinguish among political contributions, restricted non-political funds and general operational funds used for political purposes, use last-in, first out accounting or other means for identifying the source of political expenditures, and regulate covered transactions and other means to use multiple entities to evade disclosure, ensure effective enforcement, and integrate the proposed ordinance effectively with the state and city's other campaign disclosure laws.