

ORDINANCE NO. _____

AN ORDINANCE AMENDING CITY CODE CHAPTER 2-2 RELATED TO CAMPAIGN FINANCE REGULATIONS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. City Code Section 2-2-2 (*Definitions*) is amended by adding a new definition for “Voluntary Campaign Contract Period” to read as follows:

(24) VOLUNTARY CAMPAIGN CONTRACT PERIOD means the period beginning when a candidate timely submits a campaign contract in accordance with Article 2 of this Chapter and ending at 11:59 p.m. on the date of the general election.

PART 2. Subsections (B) and (G) of City Code Section 2-2-7 (*Commencement of Campaign Period*) are amended as follows:

(B) The voluntary campaign contract period applies only to candidates who timely submit the voluntary campaign contract as provided in Section 2-2-11(B). [The campaign period for a general election begins the 365th day before the date of the general election.]

(G) A candidate may only raise funds for an election during an authorized campaign period. For purposes of City Charter Article III, Sections 8(A)(1) and 8(A)(3) as they apply to a general election, “election” in the phrase “per election” means the period since the end of the most recent general, runoff, or special election for the office sought by a candidate, whichever is the latest.

PART 3. Subsection (B) of City Code Section 2-2-11 (*Voluntary Campaign Contract*) is amended as follows:

(B) A candidate must submit a personally signed [the] campaign contract no later than the earliest occurring deadline below [the earlier of]:

(1) 30 days after [he or she becomes a candidate under the Texas Election Code] the date the candidate files an appointment of campaign treasurer or an amendment of campaign treasurer with the city clerk’s office, if the applicable form was filed within 365 days of the next general election date; [or]

(2) [the date the candidate files for a place on the ballot.] 30 days after the date the candidate accepts a campaign contribution or makes a campaign expenditure, as shown on a campaign finance report filed with the city clerk’s office; or

(3) the date the candidate files with the city clerk’s office an application for a place on the general election ballot or a declaration of write-in candidacy.

PART 4. Subsections (A) and (B) of City Code Section 2-2-12 (*Candidates' Expenditure Limitations*) are amended as follows:

(A) A candidate who signs a campaign contract under this chapter shall not, during the voluntary campaign contract ~~[campaign]~~ period, make expenditures exceeding the following limits:

(1) candidates for mayor: expenditures of \$120,000 and an additional \$80,000 in a runoff election; and

(2) candidates for city council: expenditures of \$75,000 and an additional \$50,000 in a runoff election.

(B) A candidate in a race for mayor or city council shall not make expenditures from his or her own funds that exceed five percent of the applicable voluntary expenditure limits in this section for an election or runoff election during the voluntary campaign contract period through the runoff election. An expenditure by a candidate is an expenditure by his or her campaign. A candidate shall report expenditures from personal funds consistent with state law and this chapter.

PART 5. Subsection (A) of City Code Section 2-2-13 (*Candidates' Contribution Limits*) is amended as follows:

(A) Except as provided in Subsection (B), a candidate who signs a campaign contract under this chapter shall not accept contributions from an individual or any political committee exceeding the following limits:

(1) Candidates for mayor:

(a) aggregate contributions of more than the amount set by City Charter Article III, Section 8(A)(1) for both the voluntary campaign contract ~~[campaign]~~ period for the election and the campaign period for a runoff election; and

(b) more than \$24,000 in contributions in a voluntary campaign contract ~~[campaign]~~ period from political committees for a general ~~[regular]~~ election or an additional \$16,000 for a runoff election.

(2) Candidates for city council:

(a) aggregate contributions of more than the amount set by City Charter Article III, Section 8(A)(3), for both the voluntary campaign contract ~~[campaign]~~ period for the general election and the campaign period for a runoff election; and

(b) more than \$15,000 in contributions in a voluntary campaign contract ~~[campaign]~~ period from political committees for a general ~~[regular]~~ election or an additional \$10,000 for a runoff election.

PART 6. Subsection (B) of City Code Section 2-2-17 (*Waiver of Voluntary Limits*), is amended as follows:

(B) A candidate who signed a campaign contract may, up to the end of the filing period for submitting an application for a place on the ballot, elect to opt out of the contract if another candidate ~~[has filed a designation of campaign treasurer for that office and]~~ has not ~~[within 30 days signed]~~ timely filed a campaign contract in accordance with Section 2-2-11(B) or a notice of intent, under the Texas Election Code, to raise and spend less than [\$500]\$1,080, or the amount indicated in the most recent version of Texas Ethics Commission Rule 18.31. If a candidate opts out of a contract, he or she may continue to use the disclaimer provided for in Section 2-2-14, but shall not be eligible to receive funds from the Austin Fair Campaign Finance Fund.

PART 7. Subsection (B) of City Code Section 2-2-21 (*Additional Information Required On All Campaign Finance Reports Filed With The City*) is repealed.

PART 8. Subsections (A), (D), and (E) of City Code Section 2-2-22 (*Fundraising And Bundling By Intermediaries*) are amended as follows:

(A) In this section:

(1) BUNDLER means a person who bundles campaign contributions. The term does not apply to an individual whose only fundraising activity is a fundraising event held at the individual's residence if the event raises funds in an aggregate amount of less than \$5,000.

(2) BUNDLING means the soliciting and obtaining, during a voluntary campaign contract ~~[campaign]~~ period or other campaign period, contributions on behalf of a candidate of \$200 or more per person from five or more persons.

(D) Except as may be further limited by Subsection (E), a person who is registered, who is required to register, or who is employed by a person who is registered or required to register under Chapter 4-8 (Regulation of Lobbyists) may not bundle contributions totaling more than five times the contribution limit set by Article III, Section 8(A)(1) of the City Charter for any one candidate in a voluntary campaign contract ~~[campaign]~~ period or other campaign period.

(E) This subsection applies only to a business association that is registered or required to register under Chapter 4-8 (Regulation of Lobbyists), that is owned in whole or in part by a person registered or required to register under Chapter 4-8 (Regulation of Lobbyists), that employs a person registered or required to register under Chapter 4-8 (Regulation of Lobbyists), or that compensates another person to lobby on a municipal question of interest to the business association. Partners, shareholders, principals, employees, and persons who conduct business through the same business association, are considered to be a single bundler for the purpose of this subsection. The total amount bundled by all the partners, shareholders, principals, employees, and persons who conduct business through the same

business association when added together may not exceed ten times the contribution limit set by Article III, Section 8(A)(1) of the City Charter for the entire business association for any one candidate in a voluntary campaign contract [campaign] period or other campaign period.

PART 9. City Code Section 2-2-26 (*Filing Of Campaign Finance Report Data*) is amended as follows:

~~[(A) A candidate, officeholder, or political committee required by the City Code or state law to file a campaign finance report with the city clerk shall, in addition to the required report, also provide to the city clerk a structured data file containing the contents of the campaign finance report. The data file must comply with specifications and be on media determined by the city clerk. The data file must be provided to the city clerk no later than the date that the associated campaign finance report must be filed.]~~

~~(A)~~~~(B)~~ The city manager, in consultation with the city clerk, shall maintain for the use of the city clerk a Web site that allows public access to a searchable and downloadable database capable of executing queries.

~~[(C) The city clerk must upload a data file into the database exactly as the file is received, except that the city clerk may not upload a data file that does not comply with the city clerk's technical specifications. A filer who provides a non-compliant data file to the city clerk shall resubmit the data in the required format. A data file that must be resubmitted is timely filed if resubmitted no later than the next business day after the date that the city clerk notifies the filer that data file is non-compliant.]~~

~~(B)~~~~(D)~~ [The city clerk shall upload the data related to a campaign finance report to the database available from the City's Web site on the first business day after the date that the city clerk accepts the data file.] The city clerk shall post a campaign finance report to the City's Web site on the first business day after the date that the city clerk receives the report.

~~(C)~~~~(E)~~ This ordinance is cumulative of, and does not supersede, another requirement of law regarding the deadline, filing, form, signing, or acknowledgement of a campaign finance report. A person who must file a report under this chapter shall file the report with the city clerk.

~~[(F) A data file has the same records retention period as the associated campaign finance report.]~~

~~(G) The requirement under this section to provide to the city clerk a structured data file containing the contents of each campaign finance report does not apply to a candidate or officeholder running for re-election if:~~

~~(1) the due date for the campaign finance report falls within the campaign period;~~

~~(2) the candidate or officeholder running for re-election has not raised and does not intend to raise more than \$10,000 in contributions during the campaign period; and~~

~~(3) the candidate or officeholder running for re-election files a signed statement with the city clerk stating that the candidate or officeholder running for re-election has not raised and does not intend to raise more than \$10,000 in contributions during a campaign period.~~

~~(H) If contributions to a candidate or officeholder running for re-election who has signed an exemption statement under this subsection exceed \$10,000, the candidate or officeholder running for re-election shall provide to the city clerk:~~

~~(1) a data file for each subsequent campaign finance report that the candidate or officeholder is required to file; and~~

~~(2) a data file for each prior campaign finance report that was due during the campaign period before the contributions to the candidate or officeholder exceeded \$10,000, to be provided to the city clerk no later than the next campaign finance report filing deadline after the contributions to the candidate or officeholder exceed \$10,000.~~

~~(I) An exemption under this subsection from providing a data file associated with a required campaign finance report does not exempt the candidate from filing the campaign finance report.]~~

PART 10. Subsection (F) of City Code Section 2-2-29 (*Pre-Election Reports*) is amended as follows:

(F) The city clerk shall post each pre-election report on the City's Web site no later than 5 p.m. on the first business day after the date that the city clerk receives the report. [and accepts the associated data file.]

PART 11. Subsections (D) and (E) of City Code Section 2-2-32 (*Reporting Of Direct Campaign Expenditures*) are repealed and the remaining subsections renumbered accordingly.

PART 12. Subsections (E) and (F) of City Code Section 2-2-34 (*Reporting Of Covered Transfers*) are repealed and the remaining subsections renumbered accordingly.

PART 13. Subsection (A) of City Code Section 2-2-53 (*Restrictions On Contributions By Lobbyists*) is amended as follows:

(A) The city council finds that the practice of lobbying for compensation creates a unique relationship between candidates and officeholders on the one hand, and lobbyists on the other. To preserve public confidence in the electoral process, to diminish the appearance of impropriety and special influence, and to minimize the role of political contributions in the legislative and regulatory processes and the awarding of public contracts, it is appropriate to prohibit persons who lobby the city council from making contributions to candidates for mayor and city council and to officeholders. Accordingly, no person who is compensated to lobby the city council and who is required to register with the City as a lobbyist, and no

spouse of the person, may contribute more than \$25 in a voluntary campaign contract ~~[campaign]~~ period or other campaign period to an officeholder or candidate for mayor or city council, or to a specific purpose political committee involved in an election for mayor or city council.

PART 14. City Code Section 2-2-63 (*Qualifying Candidates*) is amended as follows:

To become a qualifying candidate eligible to receive public funds from the Austin Fair Campaign Finance Fund, a candidate for mayor or city council must sign and timely submit a campaign contract, and must~~[-agree to]~~:

(A) abide by the applicable limitations on contributions and expenditures except when exempted as provided by Subsection 2-2-17(A);

(B) timely file the required campaign finance reports; and

(C) participate in specified ~~[debates]~~ events arranged by the City Ethics Review Commission.

PART 15. City Code Section 2-2-65 (*Other Considerations For Campaign Contract*) is amended as follows:

(A) A candidate who signs a campaign contract must participate in a series of City-organized candidate ~~[forums]~~ events, whether or not the candidate qualifies for funds. Participation in non-City-organized events does not count toward this total; references below are to City-organized candidate events only.

(B) The Ethics Review Commission shall produce not fewer than three City-organized candidate ~~[forums]~~ events for each contested race as follows:

(1) one ~~[forums]~~ event must air in real-time on public access television; and

(2) other ~~[forums]~~ events may be produced and made available to the public by radio, broadcast, publication on the Internet, or other means approved by the commission.

(C) The City shall make recordings of the audio or video ~~[forums]~~ events available to the public at all branches of the City library.

(D) The City may purchase advertising promoting the candidate ~~[forums]~~ events.

(E) The Ethics Review Commission shall establish equitable guidelines to coordinate and produce the candidate ~~[forums]~~ events.

PART 16. This ordinance takes effect on _____, 2024.

PASSED AND APPROVED

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_____, 2024

Kirk Watson
Mayor

APPROVED: _____

Anne L. Morgan
City Attorney

ATTEST: _____

Myrna Rios
City Clerk