

ORDINANCE NO. 1956

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH AMENDING CHAPTER 4.120 OF THE MANHATTAN BEACH MUNICIPAL CODE REGARDING CAMPAIGN CONTRIBUTION LIMITATIONS

THE CITY COUNCIL OF THE CITY OF MANHATTAN BEACH, CALIFORNIA DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby makes the following findings:

- A. It is the intent of this ordinance to provide reasonable, meaningful regulation of local campaign funding including full disclosure of campaign contributions and to insure that these regulations comply with the requirements of State and Federal law.
- B. The requirements of this ordinance are intended to provide the electorate with information as to where political campaign money comes from, where a candidate may be placed on the political spectrum, to alert the voter to the interests to which a candidate is most likely to be responsive, and to deter actual corruption and avoid the appearance of corruption.

SECTION 2. Subsection "A" of Section 4.120.020 of Chapter 4.120 of the Manhattan Beach Municipal Code is hereby amended to read as follows:

"4.120.020. Definitions

- A. Contribution Defined. For the purposes of this Chapter, "contribution" shall mean a payment, loans and extensions of credit (other than those made by financial institutions), a payment of a loan from a financial institution by a third party, or an enforceable promise to make a payment, except to the extent that full and adequate consideration is received, unless it is clear from the surrounding circumstances that it is not made for political purposes. An expenditure made at the behest of a candidate, committee, or elected officer is a contribution to the candidate, committee, or elected officer, unless full and adequate consideration is received for making the expenditure.

The term "contribution" shall include the purchase of tickets for events such as dinners, luncheons, rallies and similar fund-raising events; the granting of discounts or rebates not extended to the public generally or the granting of discounts and rebates by television and radio stations and newspapers not extended on an equal basis to all candidates for the same office; a non-candidate acting as a Guarantor for a loan to a candidate or controlled committee and the payment of compensation by any person for the personal services or expenses of any other person if such services are rendered or expenses incurred on behalf of a candidate or committee without the payment of full and adequate consideration.

The term "contribution" shall further include any transfer of anything of value received by a committee or controlled committee from another committee or controlled committee. The term "contribution" shall not include amounts received pursuant to an enforceable promise to the extent such amounts have been previously reported as contribution. However, the fact that such amounts have been received shall be indicated in the appropriate campaign statement.

Notwithstanding the foregoing definition of "contribution," the term shall not include volunteer personal services or payments made by any individual for his own travel expenses if such payments are made voluntarily without any understanding or agreement that they shall be directly or indirectly paid to him. The term "contribution" shall not include any expense incurred in holding a campaign related event in a private residence."

SECTION 3. Subsection C shall be deleted in its entirety, subsections D, E, F, and G shall now be designated as subsections C, D, E, and F respectively and subsections A and B of section 4.120.030 shall be amended to read as follows:

"4.120.030. Contribution limitations

- A. No person, other than a candidate, shall contribute more than \$250.00 in total contributions during an election cycle. Contributions to controlled committees are to be considered as contributions to a candidate.
- B. Anonymous contributions. Anonymous contributions to candidates, committees or controlled committees shall be prohibited.

SECTION 4. Subsection H shall now be designated as subsection G and amended to read as follows:

- G. Loans. All loans, solely for the purposes of political campaigning, except loans from financial institutions and loans from a candidate's personal fund to his or her campaign, shall be subject to the same restrictions as defined in Section 4.120.030(A)."

SECTION 5. Subsection I shall now be designated as subsection H.

SECTION 6. A new Section 4.120.045 shall be added to Chapter 4.120 to read as follows:

"4.120.045 Disclosure

Each candidate shall submit records of all contributions received identifying the name of each contributor and the amount of their contribution, regardless of amount, to the City Clerk on a form or forms to be designated by the City Clerk. A candidate shall be responsible for notifying all contributors that their identity shall be reported."

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2 SECTION 7. Subsection C of Section 4.120.050 shall be amended to read as follows:

3 "C. All campaign contribution reports shall be subject to
4 audit by the City Clerk, or a duly authorized
5 representative of the City Clerk's office. It shall be
6 the duty of every candidate to keep records of campaign
7 finances including but not limited to records of each
8 contribution received and the identity of the contributor. Failure to keep such records or allow the City Clerk or his or her duly authorized representative access to such records shall be deemed a violation of this Chapter."

9 SECTION 8. Section 4.120.060 shall be amended in its entirety to read as follows:

10 "4.120.060. Violation - enforcement and penalty

11 Any violation of this Chapter shall be punishable as a
12 misdemeanor. The City Attorney shall not serve as investigator or
13 prosecutor of offenses under this Chapter but shall designate an
14 outside agency or agencies to investigate and/or prosecute such
15 violations. Any duly authorized prosecutorial agency, such as the
16 Los Angeles County District Attorney or the City Prosecutor of
17 another city may be appointed to prosecute violations hereunder
18 and shall exercise independent prosecutorial judgment in so
19 doing."

20 SECTION 9. Any provisions of the Manhattan Beach
21 Municipal Code, or appendices thereto, or any other ordinances of
22 the City, to the extent that they are inconsistent with this
23 ordinance, and no further, are hereby repealed.

24 SECTION 10. If any section, subsection, sentence,
25 clause, or phrase of this ordinance is for any reason held to be
26 invalid or unconstitutional by the decision of any court of
27 competent jurisdiction, such decision shall not affect the
28 validity of the remaining portions of the ordinance. The City
29 Council hereby declares that it would have passed this ordinance
30 and each section, subsection, sentence, clause, and phrase
31 thereof, irrespective of the fact that any one or more sections,
32 subsections, sentences, clauses, or phrases be declared invalid or
33 unconstitutional.

34 SECTION 11. This notice shall be published by one
35 insertion in the *Beach Reporter*, the official newspaper of the
36 City and this ordinance shall go into effect and be in full force
37 and operation thirty days after adoption.

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PASSED, APPROVED, and ADOPTED this 1st day of October,
1996.

Ayes: Napolitano, Jones, Cunningham, Lilligren, Mayor Barnes
Noes: None
Absent: None
Abstain: None



Mayor, City of Manhattan Beach,
California

ATTEST:



City Clerk