

CITY COUNCIL TRANSMITTAL

TO: Salt Lake City Council
Council Chair Fowler

DATE: July 15, 2021

FROM: Lauren Shafer, Deputy City Recorder – Elections Specialist
Cindy Lou Trishman, City Recorder

SUBJECT: 2021 Campaign Finance Changes due to opting into Municipal Alternate Voting Method Pilot Program (also known as Ranked Choice Voting) and General Campaign Finance Updates

STAFF CONTACT:

Lauren Shafer, Deputy City Recorder Elections Coordinator 801-535-6221

DOCUMENT TYPE: Ordinance

RECOMMENDATION: Request the City Council consider adopting the proposed ordinance which adds a new campaign finance report when participating in the Municipal Alternate Voting Method Pilot Program. The proposed ordinance also has general campaign finance changes to align City Ordinance with current State Code.

BUDGET IMPACT: N/A

BACKGROUND/DISCUSSION: Under traditional voting Salt Lake City has four campaign finance reports due prior to the General Election. However, when opting into the Municipal Alternate Voting Method Pilot Project without a Primary – also known as Ranked Choice Voting – the City Recorder’s Office is no longer able to enforce two of those reports due to their association to a Primary Election. The City Recorder’s Office proposes a new report to mirror the transparency efforts of campaign finance reporting. In this memo, the reports no longer applicable (due to opting into the Pilot Project) will be discussed and the proposed intermediary report is listed in the schedule.

Campaign Finance Reports under Traditional Voting:

Under a traditional voting method Salt Lake City has two campaign finance reports that revolve specifically around a Primary Election. The Pre-Primary report, and the Unsuccessful in a Primary report. These reports show what candidates are spending in between the Declaration of Candidacy period and the General Election. The Pre-Primary report takes place roughly two months after the Declaration of Candidacy period and a week before what would be the Primary Election. The Unsuccessful in a Primary report takes place 30 days after the Primary Election. Those reports in chart form are below:

Report Name	Report Period Dates	Due Date
July Report	February 14, 2021 – June 28, 2021	July 1, 2021
Pre-Primary	June 29, 2021 – July 31, 2021	August 3, 2021
Unsuccessful in a Primary	August 1, 2021 – September 6, 2021	September 9, 2021*
General Election	September 7, 2021 – October 23, 2021	October 26, 2021
Post General Election	October 24, 2021 – November 29, 2021	December 2, 2021
February #4	November 30, 2021 – February 12, 2022	February 15, 2022
Unsuccessful Final	September 7, 2021 – February 12, 2022	February 15, 2022

**This is roughly three months after candidates file*

Campaign Finance Reports under Ranked Choice Voting Without a Primary:

Under Ranked Choice Voting without a Primary Election, the two reports mentioned above – Pre-Primary and Unsuccessful in a Primary – are no longer enforceable due to not holding a Primary Election. Voters will not be provided the option to search or view to see how candidates are spending/receiving contributions twice after Declaration of Candidacy. In this scenario, voters will see nothing from July 1, 2021 (prior to the Declaration of Candidacy period) to October 26, 2021 (a week prior to the General Election). Relevant report dates are listed below:

Report Name	Report Period Dates	Due Date
July Report	February 14, 2021 – June 28, 2021	July 1, 2021
General Election	September 7, 2021 – October 23, 2021	October 26, 2021
Post General Election	October 24, 2021 – November 29, 2021	December 2, 2021
February #4	November 30, 2021 – February 12, 2022	February 15, 2022

Adding a New Report to Act as Intermediary Report:

Ranked Choice Voting without a Primary, due to its pilot status, does not have intermediary reports required. The Recorder's Office recommends the consideration of adding a new report to act as

an intermediary report specifically for Ranked Choice Voting without a Primary when selected as the election method. Adding the new report would allow constituents and other candidates the ability to view the spending/receiving of contributions of candidates in the middle of the campaign period. The due date of the proposed intermediary report is open to discussion; however, the City Recorder's Office is proposing a report due on September 9, 2021 and encompassing contributions and expenditures from June 29, 2021 to September 6, 2021. This way, the report would be posted a month after the Declaration of Candidacy period and roughly a month before ballots are mailed out.

The **proposed** report is in blue in the table below.

Report Name	Report Period Dates	Due Date
July Report	February 14, 2021 – June 28, 2021	July 1, 2021
Pre-General	June 29, 2021 – September 6, 2021	September 9, 2021**
General Election	September 7, 2021 – October 23, 2021	October 26, 2021
Post General Election	October 24, 2021 – November 29, 2021	December 2, 2021
February #4	November 30, 2021 – February 12, 2022	February 15, 2022
Unsuccessful Final	September 7, 2021 – February 12, 2022	February 15, 2022

***This is roughly a month after candidates file and a month before ballots begin to be mailed out*

The proposed adjustment would add one more date to the important election dates to be aware of which are outlined below:

Date	Election Timeline Item
July 1, 2021	July 1 Campaign Finance Report is due
August 10, 2021	Declaration of Candidacy begins
August 17, 2021	Declaration of Candidacy ends
August 18, 2021	List of candidates posted on the City Recorder's website
September 9, 2021	Pre-General Campaign Finance Report is due***
October 11, 2021 (week of)	Vote by Mail ballots are mailed out starting this week
October 26, 2021	General Campaign Finance Report is due
November 2, 2021	General Election

****This is the proposed report*

EXHIBITS:

- 1) Clean version of proposed ordinance
- 2) Legislative version of proposed ordinance

SALT LAKE CITY ORDINANCE
No. _____ of 2021

(Campaign finance reporting and personal campaign committees)

An ordinance amending Sections 2.46.010 and 2.46.090 of the Salt Lake City Code, relating to campaign finance reporting and personal campaign committees.

WHEREAS, the city desires to make certain changes relating to campaign finance reporting and personal campaign committees; and

WHEREAS, the City Council of Salt Lake City, Utah, desires to amend Sections 2.46.010 and 2.46.090 of the Salt Lake City Code, relating to such changes.

NOW, THEREFORE, be it ordained by the City Council of Salt Lake City, Utah that:

SECTION 1. Section 2.46.010 of the Salt Lake City Code, relating to definitions, is amended as follows:

Amending the definition of “Reporting Date.” The definition of “Reporting Date” is amended to read as follows:

REPORTING DATE: A. Ten days before the election, for a campaign finance statement required to be filed not later than seven days before a primary election or general election conducted by the city;

B. The day of filing, for a campaign finance statement required to be filed not later than 30 days after a primary election or general election conducted by the city;

C. Three days before the filing date, for any other campaign finance statement required to be filed pursuant to this chapter; and

D. If the city opts into the Municipal Alternate Voting Methods Pilot Project created in Utah Code section 20A-4-602 and therefore does not hold a primary election, 30 days after the day on which the primary election otherwise would have been held.

SECTION 2. Section 2.46.090 of the Salt Lake City Code, relating to personal campaign committees, is amended as follows:

2.46.090: FINANCIAL REPORTING:

A. Personal Campaign Committees:

1. Each personal campaign committee shall file with the city recorder a campaign finance statement containing the information required in this section, on the following dates:
 - a. July 1 of any election year;
 - b. Except as provided in subsection A2 of this section, no later than seven days before the day on which any municipal general or primary election is held;
 - c. Except as provided in subsection A2 of this section, no later than 30 days after the day on which the municipal general election is held;
 - d. On February 15 of every year unless a termination report has been filed with the city recorder as provided by subsection A8 of this section or its successor subsection; and
 - e. If the city opts into the Municipal Alternate Voting Methods Pilot Project created in Utah Code section 20A-4-602 and elects not to hold a primary election, 30 days after the day on which the primary election otherwise would have been held.

Notwithstanding the foregoing provisions of this subsection A1, the personal campaign committee for a candidate shall be required to file a campaign finance statement on the dates specified in subsections A1a, A1b, and A1c of this section only during an election year in which the elective office that such candidate seeks is open for election.

2. The personal campaign committee for each candidate who is eliminated at a primary election shall file with the city recorder a campaign finance statement within 30 days after the day on which the primary election is held. Personal campaign committees for candidates who lose at a primary election need not file a campaign finance statement seven days before the general election pursuant to subsection A1b of this section or thirty (30) days after the general election pursuant to subsection A1c of this section.

3. During the seven day period before any election, each personal campaign committee shall file with the city recorder a verified report of each contribution over \$500.00 within 24 hours after receiving each such contribution. Such report shall contain the information required by subsection A4b(2)(A) of this section.

4. Each campaign finance statement shall:
 - a. Contain a summary of contributions and expenditures reported in previously filed campaign finance statements during the calendar year in which the statement is due;
 - b. Except as provided in subsection A4c of this section:
 - (1) Report all of the committee's or candidate's itemized and total:
 - (A) Contributions during the election cycle received before the close of the reporting date; and

- (B) Expenditures during the election cycle made through the close of the reporting date; and
 - (2) Identify:
 - (A) For each contribution in excess of \$50.00, the amount of the contribution, the name and address of the donor, and the date the contribution was made;
 - (B) The aggregate total of all contributions that individually do not exceed \$50.00; and
 - (C) For each expenditure, the amount of the expenditure, the name of the recipient of the expenditure, the date the expenditure was made, and the purpose of the expenditure; or
 - c. Report the total amount of all contributions and expenditures if the committee or candidate receives \$500.00 or less in contributions and spends \$500.00 or less on the candidate's campaign.
5. Each campaign finance statement shall contain a statement by the secretary or by the chairperson of the committee to the effect that:
- a. All contributions and expenditures not theretofore reported have been reported;
 - b. There are no bills or obligations outstanding and unpaid except as set forth in the campaign finance statement;
 - c. The campaign finance statement represents a good faith effort by the committee to comply with the provisions of this chapter; and
 - d. The information contained in the campaign finance statement is, to the best knowledge of the committee, true, accurate and complete.
6. In the event the personal campaign committee had no contributions or expenditures during the calendar year, the campaign finance statement shall state that no contributions were received and no expenditures were made during that calendar year.
7. Within 30 days after distribution of any surplus campaign funds and/or the payment or compromise of all debts, a personal campaign committee shall file a campaign finance statement with the city recorder. The campaign finance statement shall state the amount of such surplus and the name and address of any recipient of such surplus, and shall identify any debt that was paid or compromised and the name and address of any person to whom any debt was paid or compromised.
8. In the event a personal campaign committee has permanently ceased operations, the secretary or chairperson of the committee shall file a termination report with the city recorder certifying that the personal campaign committee has permanently ceased operations.
9. The requirements of this chapter shall not be construed to abrogate the necessity of making any other reports or disclosure required by law.
10. With respect to contributions received and expenditures made before the effective date of this section, the first campaign finance statement filed pursuant to this section need only contain the information required by this section to the extent such information is known by the personal campaign committee that files such campaign finance statement.

B. Political Committees:

1. Each political committee that has received contributions or made expenditures that total at least \$750.00 during a calendar year shall file a verified financial statement with the city recorder on:

- a. July 1 of any election year;
- b. No later than seven days before the day on which any municipal primary or general election is held; and
- c. January 10, reporting contributions and expenditures as of December 31 of the previous year.

2. The political committee shall report:

- a. A detailed listing of all contributions received and expenditures made since the filing of the last financial statement; and
- b. For financial statements filed on July 1 and before the municipal general election, all contributions and expenditures as of three days before the required filing date of the financial statement.

3. If the political committee had no contributions or expenditures since the filing of the last financial statement, the financial statement shall state that no contributions were received and no expenditures were made since the filing of the last financial statement.

4. The verified financial statement shall include:

- a. The name and address of any individual that makes a contribution to the reporting political committee, if known, and the amount of the contribution;
- b. The identification of any publicly identified class of individuals that makes a contribution to the reporting political committee, if known, and the amount of the contribution;
- c. The name and address of any political committee, group, or entity that makes a contribution to the reporting political committee, and the amount of the contribution;
- d. The name and address of each candidate, personal campaign committee, party committee, or political committee that received an expenditure from the reporting political committee, and the amount of each expenditure;
- e. The total amount of contributions received and expenditures disbursed by the reporting political committee;
- f. A statement by the political committee's secretary or chairperson to the effect that:
 - (1) All contributions and expenditures not theretofore reported have been reported;
 - (2) There are no bills or obligations outstanding and unpaid except as set forth in the financial statement;
 - (3) The financial statement represents a good faith effort by the committee to comply with the provisions of this chapter; and
 - (4) The information contained in the financial statement is, to the best knowledge of the committee, true, accurate and complete; and
- g. A summary page in the form required by the city recorder that identifies:

- (1) Beginning balance;
- (2) Total contributions during the period since the last financial statement;
- (3) Total contributions to date;
- (4) Total expenditures during the period since the last financial statement; and
- (5) Total expenditures to date.

5. Contributions received by a political committee that have a value of \$50.00 or less need not be reported individually, but shall be listed in the financial statement as an aggregate total.

6. Two or more contributions from the same source that have an aggregate total of more than \$50.00 may not be reported in the aggregate, but shall be reported separately.

7. Within 30 days after distribution of any surplus campaign funds and/or the payment or compromise of all debts, a political committee shall file a verified financial statement with the city recorder. The financial statement shall state the amount of such surplus and the name and address of any recipient of such surplus, and shall identify any debt that was paid or compromised and the name and address of any person to whom any debt was paid or compromised.

8. In the event a political committee has permanently ceased operations, the secretary or chairperson of the committee shall file a termination report with the city recorder certifying that the political committee has permanently ceased operations.

9. The requirements of this chapter shall not be construed to abrogate the necessity of making any other reports or disclosure required by law.

10. With respect to contributions received and expenditures made before the effective date of this section, the first financial statement filed pursuant to this section need only contain the information required by this section to the extent such information is known by the political committee that files such financial statement.

C. Filing Time: A campaign finance statement or other report required under this chapter shall be considered filed if it is received by the city recorder or the recorder's office by 5:00 P.M. on the date it is due.

SECTION 3. This ordinance shall take effect immediately after it has been published in accordance with Utah Code section 10-3-711 and recorded in accordance with Utah Code section 10-3-713.

Passed by the City Council of Salt Lake City, Utah, this _____ day of _____,
2021.

CHAIRPERSON

ATTEST AND COUNTERSIGN:

CITY RECORDER

Transmitted to Mayor on _____.

Mayor's Action: _____ Approved. _____ Vetoed.

MAYOR

CITY RECORDER

(SEAL)

Salt Lake City Attorney's Office
Approved As To Form

By: Katherine Lewis
Katherine Lewis, City Attorney

Bill No. _____ of 2021.

Published: _____.

LEGISLATIVE DRAFT

SALT LAKE CITY ORDINANCE

No. _____ of 2021

(Campaign finance reporting and personal campaign committees)

An ordinance amending Sections 2.46.010 and 2.46.090 of the Salt Lake City Code, relating to campaign finance reporting and personal campaign committees.

WHEREAS, the city desires to make certain changes relating to campaign finance reporting and personal campaign committees; and

WHEREAS, the City Council of Salt Lake City, Utah, desires to amend Sections 2.46.010 and 2.46.090 of the Salt Lake City Code, relating to such changes.

NOW, THEREFORE, be it ordained by the City Council of Salt Lake City, Utah that:

SECTION 1. Section 2.46.010 of the Salt Lake City Code, relating to definitions, is amended as follows:

Amending the definition of “Reporting Date.” The definition of “Reporting Date” is amended to read as follows:

REPORTING DATE: A. Ten ~~(10)~~ days before the election, for a campaign finance statement required to be filed not later than seven ~~(7)~~ days before a primary election or general election conducted by the city;

B. The day of filing, for a campaign finance statement required to be filed not later than ~~thirty~~ ~~(30)~~ days after a primary election or general election conducted by the city; ~~and~~

C. Three ~~(3)~~ days before the filing date, for any other campaign finance statement required to be filed pursuant to this chapter; ~~and-~~

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D. If the city opts into the Municipal Alternate Voting Methods Pilot Project created in Utah Code section 20A-4-602 and therefore does not hold a primary election, 30 days after the day on which the primary election otherwise would have been held.

SECTION 2. Section 2.46.090 of the Salt Lake City Code, relating to personal campaign committees, is amended as follows:

2.46.090: FINANCIAL REPORTING:

A. Personal Campaign Committees:

1. Each personal campaign committee shall file with the city recorder a campaign finance statement containing the information required in this section, on the following dates:

a. July 1 of any election year;

b. Except as provided in subsection A2 of this section, no later than seven ~~(7)~~ days before the ~~date of day on which~~ any municipal general or primary election is held;

c. Except as provided in subsection A2 of this section, no later than ~~thirty (30)~~ days after the ~~date of day on which~~ the municipal general election is held; ~~and~~

d. On February 15 of every year unless a termination report has been filed with the city recorder as provided by subsection A8 of this section or its successor subsection; and-

e. If the city opts into the Municipal Alternate Voting Methods Pilot Project created in Utah Code section 20A-4-602 and ~~therefore does not~~ elects not to hold a primary election, 30 days after the day on which the primary election otherwise would have been held.

Notwithstanding the foregoing provisions of this subsection A1, the personal campaign committee for a candidate shall be required to file a campaign finance statement on the dates specified in subsections A1a, A1b, and A1c of this section only during an election year in which the elective office that such candidate seeks is open for election.

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2. The personal campaign committee for each candidate who is eliminated at a primary election shall file with the city recorder a campaign finance statement ~~no later than thirty~~ within ~~(30)~~ days after the ~~date of~~ day on which the primary election is held. Personal campaign committees for candidates who lose at a primary election need not file a campaign finance statement seven ~~(7)~~ days before the general election pursuant to subsection A1b of this section or thirty (30) days after the general election pursuant to subsection A1c of this section.

3. During the seven ~~(7)~~ day period before any election, each personal campaign committee shall file with the city recorder a verified report of each contribution over ~~five hundred dollars~~ ~~(\$500.00)~~ within ~~twenty four (24)~~ hours after ~~receipt of~~ receiving each such contribution. Such report shall contain the information required by subsection A4b(2)(A) of this section.

4. Each campaign finance statement shall:

a. Contain a summary of contributions and expenditures reported in previously filed campaign finance statements during the calendar year in which the statement is due;

b. Except as provided in subsection A4c of this section:

(1) Report all of the committee's or candidate's itemized and total:

(A) Contributions during the election cycle received before the close of the reporting date; and

(B) Expenditures during the election cycle made through the close of the reporting date; and

(2) Identify:

(A) For each contribution in excess of ~~fifty dollars~~ ~~(\$50.00)~~, the amount of the contribution, the name and address of the donor, and the date the contribution was made;

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(B) The aggregate total of all contributions that individually do not exceed ~~fifty dollars~~

~~(\$50.00)~~; and

(C) For each expenditure, the amount of the expenditure, the name of the recipient of the expenditure, the date the expenditure was made, and the purpose of the expenditure; or

c. Report the total amount of all contributions and expenditures if the committee or candidate receives ~~five hundred dollars (\$500.00)~~ or less in contributions and spends ~~five hundred dollars (\$500.00)~~ or less on the candidate's campaign.

5. Each campaign finance statement shall contain a statement by the secretary or by the chairperson of the committee to the effect that:

a. All contributions and expenditures not theretofore reported have been reported;

b. There are no bills or obligations outstanding and unpaid except as set forth in the campaign finance statement;

c. The campaign finance statement represents a good faith effort by the committee to comply with the provisions of this chapter; and

d. The information contained in the campaign finance statement is, to the best knowledge of the committee, true, accurate and complete.

6. In the event the personal campaign committee had no contributions or expenditures during the calendar year, the campaign finance statement shall state that no contributions were received and no expenditures were made during that calendar year.

7. Within ~~thirty (30)~~ days after distribution of any surplus campaign funds and/or the payment or compromise of all debts, a personal campaign committee shall file a campaign finance statement with the city recorder. The campaign finance statement shall state the amount of such surplus and the name and address of any recipient of such surplus, and shall identify any

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debt ~~which~~that was paid or compromised and the name and address of any person to whom any debt was paid or compromised.

8. In the event a personal campaign committee has permanently ceased operations, the secretary or chairperson of the committee shall file a termination report with the city recorder certifying that the personal campaign committee has permanently ceased operations.

9. The requirements of this chapter shall not be construed to abrogate the necessity of making any other reports or disclosure required by law.

10. With respect to contributions received and expenditures made before the effective date ~~hereof~~of this section, the first campaign finance statement filed pursuant to this section need only contain the information required by this section to the extent such information is known by the personal campaign committee that files such campaign finance statement.

B. Political Committees:

1. Each political committee that has received contributions or made expenditures that total at least ~~seven hundred fifty dollars (\$750.00)~~ during a calendar year shall file a verified financial statement with the city recorder on:

a. July 1 of any election year;

b. No later than seven ~~(7)~~ days before the day on which any municipal primary or general election is held; and

c. January ~~1031~~, reporting contributions and expenditures as of December 31 of the previous year.

2. The political committee shall report:

a. A detailed listing of all contributions received and expenditures made since the filing of the last financial statement; and

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b. For financial statements filed on July 1 and before the municipal general election, all contributions and expenditures as of three ~~(3)~~ days before the required filing date of the financial statement.

3. If the political committee had no contributions or expenditures since the filing of the last financial statement, the financial statement shall state that no contributions were received and no expenditures were made since the filing of the last financial statement.

4. The verified financial statement shall include:

a. The name and address of any individual that makes a contribution to the reporting political committee, if known, and the amount of the contribution;

b. The identification of any publicly identified class of individuals that makes a contribution to the reporting political committee, if known, and the amount of the contribution;

c. The name and address of any political committee, group, or entity that makes a contribution to the reporting political committee, and the amount of the contribution;

d. The name and address of each candidate, personal campaign committee, party committee, or political committee that received an expenditure from the reporting political committee, and the amount of each expenditure;

e. The total amount of contributions received and expenditures disbursed by the reporting political committee;

f. A statement by the political committee's secretary or chairperson to the effect that:

(1) All contributions and expenditures not theretofore reported have been reported;

(2) There are no bills or obligations outstanding and unpaid except as set forth in the financial statement;

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(3) The financial statement represents a good faith effort by the committee to comply with the provisions of this chapter; and

(4) The information contained in the financial statement is, to the best knowledge of the committee, true, accurate and complete; and

g. A summary page in the form required by the city recorder that identifies:

(1) Beginning balance;

(2) Total contributions during the period since the last financial statement;

(3) Total contributions to date;

(4) Total expenditures during the period since the last financial statement; and

(5) Total expenditures to date.

5. Contributions received by a political committee that have a value of ~~fifty dollars (\$50.00)~~ or less need not be reported individually, but shall be listed in the financial statement as an aggregate total.

6. Two ~~(2)~~ or more contributions from the same source that have an aggregate total of more than ~~fifty dollars (\$50.00)~~ may not be reported in the aggregate, but shall be reported separately.

7. Within ~~thirty (30)~~ days after distribution of any surplus campaign funds and/or the payment or compromise of all debts, a political committee shall file a verified financial statement with the city recorder. The financial statement shall state the amount of such surplus and the name and address of any recipient of such surplus, and shall identify any debt that was paid or compromised and the name and address of any person to whom any debt was paid or compromised.

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8. In the event a political committee has permanently ceased operations, the secretary or chairperson of the committee shall file a termination report with the city recorder certifying that the political committee has permanently ceased operations.

9. The requirements of this chapter shall not be construed to abrogate the necessity of making any other reports or disclosure required by law.

10. With respect to contributions received and expenditures made before the effective date ~~hereof~~ of this section, the first financial statement filed pursuant to this section need only contain the information required by this section to the extent such information is known by the political committee that files such financial statement.

C. Filing Time: A campaign finance statement or other report required under this chapter shall be considered filed if it is received by the city recorder or the recorder's office by ~~five o'clock~~ (5:00) P.M. on the date it is due.

SECTION 3. This ordinance shall take effect immediately after it has been published in accordance with Utah Code section 10-3-711 and recorded in accordance with Utah Code section 10-3-713.

Passed by the City Council of Salt Lake City, Utah, this _____ day of _____, 2021.

CHAIRPERSON

ATTEST AND COUNTERSIGN:

CITY RECORDER

Transmitted to Mayor on _____.

Mayor's Action: _____ Approved. _____ Vetoed.

LEGISLATIVE DRAFT

MAYOR

CITY RECORDER

(SEAL)

Bill No. _____ of 2021.

Published: _____.

Salt Lake City Attorney's Office
Approved As To Form

By: _____
Boyd Ferguson

Date: _____