



**Minutes of Public Forum  
Saturday, January 11, 2003**

**Call to Order.** (Time: 10:08:45 a.m.)

Chairperson Dorothy Leonard called the January 11, 2003 workshop to order.

**Roll Call.** (Time: 10:08:59 a.m.)

Present – Chairperson Dorothy Leonard, Vice-Chairperson Albert Gaynor, Commissioners Charles La Bella, April Riel, Dorothy Smith, and Greg Vega.

Staff - Executive Director Charles Walker, Deputy City Attorney Rick Duvernay, Legal Assistant Steve Ross, Investigator Stacey Fulhorst, Executive Secretary DonnaLee McCalla.

Excused – Commissioner Lisa Foster. Commissioner La Bella excused at 1:13 p.m. for the balance of the meeting.

**Introduction.** (Time: 10:09:06 p.m.)

Chairperson Leonard announced the list of speakers who reserved time to speak before the commission. Any person who did not reserve time to speak will be given the opportunity at the end of the meeting.

Non-Agenda Public Comment will be taken at the end of the meeting.

Ms. Leonard specified that one of the responsibilities of the Ethics Commission is to review the city's existing governmental ethics laws, and to propose updates of these laws to the City Council for approval.

At its November 7, 2002 meeting, the Commission reviewed the city's Election Campaign Control Ordinance [ECCO]. Areas of the ordinance where the Commission may wish to recommend changes were highlighted.

At its December 11, 2002 meeting, Robert Stern, President for the Center for Governmental Studies, and a recognized expert on campaign finance reform, with extensive experience with campaign finance law on the local, state, and national levels, presented ideas on how ECCO might be amended to recognize recent changes in state laws. He also covered areas of other municipalities on amendments they have made. The December 11, 2002 meeting has been rebroadcast on the city's television channel on several occasions.

This public forum was broadcast live to give interested members of the public an opportunity to learn more about ECCO and to submit comments to the Commission.

**Speaker #1** – Melvin Shapiro

(Time: 10:12:00 a.m.)

Mr. Shapiro proposed recommendations: 1) to consider instant runoff voting; 2) prohibit public officials from receiving specified gifts and personal benefits from those to whom they have awarded certain public contracts and other benefits within a designated period; and 3) urged the Commission to expedite investigations into the bundling and laundering of campaign contributions.

**Speaker #2** – Tom Switzer

(Time: 10:26:30 a.m.)

Mr. Switzer expressed his concerns from his campaign experience when he ran for city council, particularly funding. Mr. Switzer supported public funding of local city elections. He felt that clean election funding would allow candidates the opportunity to compete on a level playing field.

**Speaker #3 & 4** – Ben Katz & Sheryl White

(Time: 10:40:09 a.m.)

Ms. White, President of Statecraft, presented her experiences with campaign reporting. She suggested that the City of San Diego keep its ordinance and reporting as close to the state as possible, and to tie the campaign contribution limit to the State Assembly or the State Senate. She felt that now is not the time for public funding with the City's huge deficit.

Mr. Katz, founder of Complete Campaigns.com, supported electronic filing. It is ideal for public disclosure and the information is reported immediately, and since the state and federal do electronic filing, and suggested the city contact the Secretary of State.

Ms. White added that electronic filing keeps reporting consistent with the state, and is working with her contacts in Sacramento on the possibility of establishing an Enterprise Fund within the Secretary of State's office to do just electronic filing, which would be separate from the State's budget.

Ms. White continued that the Secretary of State is currently developing a free web system for people who are state filers. Once it is in place, perhaps the City of San Diego could lease it so someone could have access to a free system to do their filing as opposed to larger campaigns that need the additional functionality that her company provides. The state and federal have set a \$50,000 threshold, and if you raise or spend that amount or appear that you have, you are required to electronically file. If you are a small campaign without reaching that volume of transactions, paper filing is still allowed.

**Speaker #5** – Lee Crawford

(Time: 10:51:06 a.m.)

S. D. Alliance for Clean Elections

Mr. Crawford presented his support for clean elections and explained the process of public funding of campaign funds. A candidate becomes qualified by gaining a certain number of signatures on a petition. Money is not the issue; the importance is how many people support a particular candidate. The candidate must have a certain level of support inside his/her own district in order to qualify for public funding. At that point, a candidate submits his/her signatures, funding, and signs a contract. The contract specifies that the candidate will accept no money from any other outside source, and will not spend anymore of his own money. The candidate agrees to participate in two debates during the primary period, and if successful, participates in three more debates during the period before the general election. In addition, if the candidate is not successful in the primary, there will be no funding for the general portion of his campaign.

Upon qualification, you would be given one-third of the allotted amount to run your primary campaign. The allotted amount is the average of the top five expenditures in the prior election. This average determines what is given to a candidate, i.e., how much the winning candidates spent in the prior election. The candidate will be given one-third of that amount in order to run the primary. If you are successful in the primary, you would then be given the other two-thirds to spend for the general election. There is a provision in the Act that allows for additional funding if a clean candidate is being grossly overspent by a candidate receiving private money. It is at the discretion of the Commission of Elections to decide whether or not more money should be given to that campaigner due to the imbalance, and is destroying the intent of the Act.

**Speaker #6** – Max Herrington

(Time: 11:09:41 a.m.)

Mr. Herrington presented the UCSD Student Government Instant Runoff Voting (IRV):

Voters are allowed to rank their candidates from first to last. When the votes are complete, they are tabulated. In order to win the first round, you need over 50 percent of the first place votes. If no one has a majority of first place votes, the candidate with the least first place votes is eliminated, and the people who voted for

that candidate, their second place votes are then transferred to those candidates. This process can continue until a candidate has over 50 percent of the majority of votes.

The benefits of IRV and why it is better than plurality voting :

1. It ensures that a candidate is elected by a true majority of voters, in other words, the candidate with the broadest base of public support.
2. It eliminates the so-called spoiler affect where a candidate takes votes away from another to cause his/her loss in the election. IRV is better in this regard due to ranking. Through ranking, a voter can choose their favorite candidate without fear of helping their least favored candidate getting elected. If their first choice is eliminated from the tabulations, their vote will then be transferred to their next favorite candidate ensuring that someone they do support gets elected. Essentially, IRV encourages voters to vote sincerely and not strategically.
3. Candidates also have to compete for second, third and even fourth place votes, IRV encourages positive campaigns and an end to attacks on other candidates that we often see.
4. IRV increases voter turnout because it strengthens the voter sense of democracy in his/her own empowerment in the system.
5. San Diego currently has traditional runoff elections. By utilizing IRV, an instantaneous formula would save the City time and money because it eliminates the traditional runoff. IRV would further improve elections because most often voter turnout in the runoff election drops dramatically from the first round.
6. IRV is a non-partisan voting system which would strengthen democracy and empower voters in San Diego while saving time and money by avoiding a costly runoff election, and producing a winner who has greater voter support due to both the probable increased turnout, and the fact that the winner will be elected with the true majority.

**Speaker #7** – Christopher Ward

(Time: 11:18:26 a.m.)

Mr. Ward presented his suggestions as follows:

1. Require separate Form 460's be submitted on the designated dates for all election cycles for which monies were raised and spent within the last reporting period to better attribute what monies were raised and spent towards a particular cycle.

2. Require itemization of contributions be filed electronically and listed alphabetically on the Schedule A form.
3. Require individual expenditures be itemized as done with individual contributions.
4. Require individuals be held accountable to reimbursements that they make for campaign related payments.
5. Require late contributions received and expenditures made have lower limits to include all significant expenditures. Currently, contributions at or in excess of \$1,000 received are required to be reported within 24 hours. This does not apply to city candidates since the limit is \$250. In order to have a good faith practice of instant reporting, it is recommended that municipal laws have that limit lowered to a suggested \$100.
6. Require excess contributions be returned to its source. The trail for the contributor's money should be under full control of the individual who provided it. If the contribution cannot be used due to limits, it should be returned.
7. With regards to reporting periods, there are two pre-election reports. Several significant dollar contributions are received within the 19-day window from the last pre-election up to Election Day. Mr. Ward recommends that treasurers be required to file on the Tuesday prior to an election and the following Friday. It would give the public knowledge of where the late dollar contributions originated from. Additionally, he suggests that the requirement have a report due immediately following an election to ensure what monies were unpaid bills and expenditures.

BREAK (Time: 11:40:53 a.m.)

RECONVENE (Time: 11:56:03 a.m.)

**Speaker #8** – Scott Barnett (Time: 11:56:13 a.m.)  
 President and CEO of The Lincoln Club of San Diego County

Mr. Barnett presented that although the Lincoln Club agreed to the stipulated agreement with the Ethics Commission, they did so with the understanding that legislative review and modification of ECCO would occur. He urged the Commission to consider reform that allows individuals, businesses, and organizations, like the Lincoln Club, to have consistent rules to follow, as well as, give the commission clear regulations to proceed with enforcement of local political activities.

**Speaker #9** – April Boling, Professional Treasurer

(Time: 12:17:56 p.m.)

Ms. Boling presented her recommendations to what constitutes good law: 1) the most important issue is the public's right to know; 2) avoid the appearance of corruption; 3) adopt the Political Reform Act; 4) establish electronic filing; 5) require dates of expenditure for net debt; and 6) train people who do not know how to comply.

**Speaker #10** – Dr. Stanley Imber, C-Chair Common Cause

(Time: 1:00:52 p.m.)

Dr. Stanley Imber presented his suggestions: 1) an increase to the independent contribution limit. Mr. Imber suggested that the \$250 limit on individual contribution to a candidate be reasonably increased by \$50 to \$100; 2) adopt electronic filing of campaign statements; 3) the auditing of campaign statements of persons spending large sums of money, such as Mr. Stern's recommendation of \$25,000; 4) that the City incorporate public financing that advances the integrity of the election process; and 5) urged that reasonable restrictions be placed on the amount of organizational contributions to ballot measure committees.

**Speaker #11** – Noel Neudeck

(Time: 1:13:54 p.m.)

Mr. Neudeck, under the Americans with Disabilities Act of 1990 [ADA], provided his public testimony via audio teleconferencing, his criticism of the Commission and City wrongdoing. He continued to elaborate on a federal lawsuit regarding ADA compliance, and no recommendations for ECCO reform.

**Speaker #12** – Trebor Gibson

(Time: 1:26:15 p.m.)

Ms. Gibson presented Instant Runoff Voting which is a delayed voting runoff system where you have a list of officials that you can vote for. The votes are narrowed down to two candidates who then run during the November elections, and if a majority has not been reached, then there is a runoff election during the November elections. Ms. Gibson expressed that instituting Instant Runoff Voting would allow the primaries to be eliminated, and handled in the November elections with greater voter turnout. A handout was provided with examples of how this process would work.

**Speaker #13** – Dr. Francois Farrod

(Time: 1:43:25 p.m.)

Founder, San Diego Alliance for Clean Elections (retired)

Dr. Farrod recommended that the commission work towards public funding of election campaigns because the ultimate aim of elections is to find representatives in this republic who represent the people.

Dr. Farrod clarified that public funding is a voluntary system. If you decide to run for public office, you have a choice. You can take public money, and to that public

money, certain things are attached, such as not accepting private contributions. You can be outspent by private money if your opponent chooses not to participate with public funding. The fact that it is voluntary is imminently important to understand because that is what makes it constitutional.

Dr. Farrod presented pertinent excerpts from the opinion, Buckley v. Valeo, 424 U.S. 1 (1976), that pertain to clean elections. She continued that clean election laws do not infringe any protected First Amendment rights, but instead, enhance political debate by providing public financing to candidates who can demonstrate public support, that might otherwise lack the financial resources to communicate their message and mount a viable electoral campaign. The Supreme Court, while striking down mandatory limits on expenditures, specifically affirmed the constitutionality of a public financing system.

**Speaker #14** – Norma Damashek, League of Women Voters (Time: 1:59:18 p.m.)

Ms. Damashek presented that the League participated in a similar effort when the City Clerk's Office initiated amendments to ECCO. It was presented to the City as clean-up to State law inconsistencies. Some major policy changes were included in the clean-up. The attempts to raise campaign limits and bring the City's ordinance into conformance with the State were not successful because the City had more stringent regulations which, in effect, meant lowering the City's regulations. The purpose for the Ordinance was to protect the public and enable the politicians to run for office in a consistent manner in the interest of the public.

The League had two goals: 1) to inform the public; and, 2) to get out the vote. Focus on the current methods elections are funded is very important because we have seen throughout the country that money is poured into elections with less voter turnout.

Ms. Damashek recommended the consideration of the ideas that are presented before the commission: 1) public funding; 2) free air time; and, 3) instant runoff elections; and, 4) schedule another public hearing on the issues of campaign finance limits and alternatives to our voting system. This would provide an opportunity to educate the public.

**Non-Agenda Comment.** (Time: 2:07:42 p.m.)

None.

**Adjournment.**

(Time: 2:07:49 p.m.)

Chairperson Leonard announced the following:

1. The commission will continue its discussion on possible revisions to ECCO over the next few months.
2. Regular Commission meetings are held every second and fourth Thursday of each month, at 5:30 p.m. Agendas are posted on the web site at [www.sandiego.gov/ethics](http://www.sandiego.gov/ethics).
3. The next meeting will be on January 23, 2003, and the public is encouraged to attendance to continue obtaining additional input to possible revisions to ECCO.
4. If enough interest is received, the commission may consider another workshop during the regular work day to give individuals who were unable to attend this workshop to participate.
5. The ad-hoc ECCO subcommittee will meet with staff between now and the next meeting to discuss the next step of the process.
6. This matter will be placed on the agenda of the next regularly scheduled meeting, in addition to, adding another member to the subcommittee.

With no further comments, the Ms. Leonard adjourned the workshop.

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Dorothy Leonard, Chairperson  
Ethics Commission

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DonnaLee McCalla, Executive Secretary  
Ethics Commission

***THIS INFORMATION WILL BE MADE AVAILABLE IN ALTERNATIVE FORMATS UPON REQUEST.***