



**Minutes for Meeting of
Thursday, December 10, 2015**

Item 1: Call to Order

Commission Vice Chair Fuller called the meeting to order at approximately 5:00 p.m.

Item 2: Roll Call

Present – Commission Vice Chair Clyde Fuller and Commissioners Bill Baber, Deborah Cochran, Alex Kreit, Dave Potter, Sid Voorakkara, and Greg Zinser

Absent – None

Staff – Executive Director Stacey Fulhorst, General Counsel Christina Cameron, Program Manager Steve Ross, Investigative Program Manager Lauri Davis, Audit Program Manager Rosie Gomez, and Program Coordinator Tracy Morales

Item 3: Approval of Commission Minutes

Approval of Commission Minutes of November 5, 2015.

Motion:	Approve
Moved/Seconded:	Potter/Zinser
Vote:	Carried Unanimously
Abstentions:	Fuller and Kreit

Item 4: Non-Agenda Public Comment

None

Item 5: Commissioner Comment

None

Item 6: Executive Director Comment

None

Item 7: General Counsel Comment

None

Items

8-11: Presentation of Final Audit Reports Regarding: A Better San Diego Issues Committee, a Sponsored Committee of the San Diego and Imperial Counties Labor Council, AFL-CIO; Faulconer for Mayor 2013/2014; Cate for Council 2014; and Neighborhood Coalition Supporting Chris Cate for Council 2014 Sponsored by the Lincoln Club of San Diego County

Ms. Fulhorst noted that the first audit (Item 8) is the last audit from the 2012 election cycle, and that Ms. Gomez has already completed three of the audits from the 2013-2014 cycle (Items 9 through 11). She commended Ms. Gomez on her thorough and efficient work, and pointed out that the number of audits has increased significantly in recent years due to the proliferation of committees formed to support and oppose candidates as a result of the *Citizens United* ruling.

Motion:	Accept the Audit Reports
Moved/Seconded:	Voorakkara/Potter
Vote:	Carried Unanimously
Abstentions:	Commissioner Baber

Item 12: Proposed Amendments to the Election Campaign Control Ordinance

Ms. Fulhorst provided a summary of her staff report. She explained that state laws govern political activity throughout the state and, although the City is permitted to adopt its own laws, they may not be less restrictive than state laws. The State recently amended the advertising disclosure laws ("paid for by") for committees making independent expenditures to require a 14-point, bold, sans serif typeface. The City currently requires that both candidate committees and committees making independent expenditures put the disclosure in 12-point type. Accordingly, the City must update its laws to conform to the new state law with respect to independent expenditures. Although it is not required to do the same with candidate advertisements, it may wish to do so for purposes of consistency.

She further explained that the State has also changed the qualification threshold for recipient committees from \$1,000 to \$2,000, meaning that a candidate or entity that receives less than \$2,000 in contributions will not be required to file campaign disclosure statements as a "committee" under state law. Although the City is permitted to be more restrictive and retain the \$1,000 qualification threshold, the Commission may wish to recommend a corresponding update to local law. Finally, Ms. Fulhorst explained that the recent amendments to state law include the elimination of duplicate filing requirements. Because the City's laws incorporate the state law filing requirements by reference, the updates have effectively been incorporated into local law.

Ms. Fulhorst said she plans to ask the Council President to docket this matter for Council consideration in January so that local laws will conform to recently-amended state law and the Commission staff can educate the regulated community in advance of the June 2016 primary election.

Commissioner Baber expressed his view that local campaign laws should mirror state laws for purposes of consistency. Commissioner Cochran commented that she concurred with this view.

Commissioner Potter expressed concern that it might create confusion if the City's laws require a 12-point type disclosure on candidate ads and a 14-point type disclosure on independent expenditures, and he recommended imposing the same 14-point type on all ads.

Ms. Fulhorst called the Commission's attention to the fact that the draft strike-out ordinance prepared by staff includes "Option A" which would update the disclosure requirement for all advertisements to 14-point type, and "Option B" which would maintain the current 12-point type for candidate ads and update the requirement for independent expenditures to 14-point type.

Motion: Adopt Option B
Moved/Seconded: Baber/Voorakkara
Vote: Carried Unanimously

With respect to the qualification threshold for recipient committees, Commissioner Fuller asked if it would create confusion if the City updated it from \$1,000 to \$2,000 to mirror state law. Ms. Fulhorst responded that the impact would be minimal as most individuals and entities that engage in campaign activity are raising far more than \$1,000 or \$2,000. She added that the individuals who would likely be affected are grassroots candidates who raise more than \$1,000 but less than \$2,000. Commissioner Kreit expressed support for raising the threshold.

Motion: Raise the Committee Qualification Threshold to \$2,000
Moved/Seconded: Kreit/Zinser
Vote: Carried Unanimously

Commissioner Voorakkara suggested the formation of a subcommittee to review the local campaign laws that are more restrictive than state law. Ms. Fulhorst explained that a subcommittee, if formed, would make recommendations to the full Commission but not take any actions independent of the Commission. Vice Chair Fuller asked if any other Commissioners would be interested in serving on a subcommittee, and Commissioners Baber and Kreit indicated that they would like to do so. Commissioner Baber asked about the differences between a standing and an ad hoc committee, and Commissioner Fuller suggested that the subcommittee members confer with Ms. Cameron and decide how they would like to proceed. Commissioner Baber asked Commissioner Voorakkara to serve as the Chair of the subcommittee.

Item 13: Adjourn to Closed Session

Chair Fuller adjourned the meeting to closed session at approximately 5:30 p.m. He stated the Commission would reconvene into open session following the conclusion of closed session in order to report any action taken during the closed session portion of the meeting.

Reconvene to Open Session

Chair Fuller called the meeting back into open session at approximately 6:35 p.m.

Reporting Results of Closed Session Meeting of December 5, 2015

Ms. Cameron reported the results of the closed session meeting of December 5, 2015:

Item-1: Conference with Legal Counsel (3 potential matters)

Case No. 2015-15 – Solicitation of City Employees

Motion: Dismiss
Moved/Seconded: Baber/Voorakkara
Vote: 5 – 2 (with Zinser and Cochran voting nay)

Case No. 2015-18 – Contributions in the Name of Another

Motion: Authorize Investigation
Moved/Seconded: Baber/Kreit
Vote: Carried Unanimously

Case No. 2015-19 – Filing Deadline for Quarterly Disclosure Report

Motion: Authorize Investigation
Moved/Seconded: Potter/Cochran
Vote: Carried Unanimously

Item-2: Conference with Legal Counsel (1 potential matter)

Case No. 2015-13 - Filing of Campaign Statements

Commission: Chair Fuller recused
Staff: Executive Director Fulhorst recused

No Reportable Action

Item-3: Conference with Legal Counsel (1 potential matter)

Presentation of Final Audit Report Regarding Citizens for Patient Rights

Staff: Executive Director Fulhorst recused

Motion: Accept Final Audit Report

Moved/Seconded: Voorakkara/Potter

Vote: Carried Unanimously

Adjournment

The meeting adjourned at approximately 6:40 p.m.

[Redacted]

[Redacted]

Clyde Fuller, Vice Chair
Ethics Commission

Tracy Morales, Program Coordinator
Ethics Commission

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