

**TO:** BLUE RIBBON TASK FORCE

**FROM:** RICHARD DOYLE  
City Attorney

**SUBJECT:** Officeholder Accounts

**DATE:** October 25, 2004

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## **Background**

At the October 12, 2004 Blue Ribbon Task Force meeting, the Task Force discussed various options with regard to officeholder accounts and political action committees (PACs). The Task Force acknowledged that the Office of Mayor included City-wide responsibilities which often required political duties relating to regional, statewide and federal issues. The options discussed by the Task Force included the following:

- Increasing contributions and total amount or cap on officeholder accounts for the Mayor but not for Councilmembers
- Allocating public funds for Mayoral responsibilities and activities such as travel, attendance at meetings and other activities which benefit the City
- Prohibiting officeholder accounts or political action accounts other than what is allowed by the Municipal Code

This memorandum will summarize information about officeholder accounts in other jurisdictions.

## **State Law – Officeholder Expenses**

The state Political Reform Act (Gov. Code Sections 81000 *et seq.*) does not provide any specific method for officeholders to raise funds for officeholder expenses. The Fair Political Practices Commission interprets the “one bank account rule” to mean that a candidate for elective office may have only one campaign bank account for each specific election. However, officeholder expenses may be paid from campaign committees bank accounts which have been established for a particular office. Hicks Advice Letter, FPPC File No. I-99-120, June 16, 1999. Expenditures must be reasonably related to a legislative or governmental purpose. Expenditures which confer a substantial personal benefit must be directly related to a political, legislative or governmental purpose. (Gov. Code § 89512).

### **City of Los Angeles – Officeholder Account**

Los Angeles has established officeholder accounts which are limited to expenditures connected with the officeholder's official duties.

Total contributions and expenditures from the fund are limited to \$75,000.

Contributions are limited to \$1,000 per fiscal year for the Mayor and \$500 for City Councilmembers.

### **City of Oakland – Officeholder Account**

Uses of Oakland officeholder funds are limited to any political, governmental or lawful purpose.

Total contributions to a fund are limited to \$25,000 per year for district Councilmembers and \$50,000 per year for the Mayor. Contributions from persons are limited to \$100 and up to \$500 if expenditure limits are accepted. Broad based political parties (at least 100 contributors and which makes contributions to more than 5 persons) may contribute up to \$250 and up to \$1,000 per year if expenditure limits are accepted by a candidate.

### **San Francisco –Officeholder Expenses from Campaign Accounts**

San Francisco prohibits any account, other than a campaign fund, for the solicitation and expenditure of funds. However, campaign funds may be used to pay officeholder expenses, subject to the restrictions imposed by state law. State law requires that any such expenditure must be reasonably related to a governmental or legislative purpose or directly related to a political, legislative or governmental purpose if a substantial personal benefit is conferred to the officeholder.

Contributions are limited to \$500 a person per election and \$250 a person for a run-off election.

### **City of San Diego – Officeholder Expenses from Campaign Accounts**

San Diego does not have provisions for officeholder accounts but allows for officeholder expenditures from campaign accounts in accordance with state law.

Contributions are limited to \$250 per election.

**City of Sacramento – Officeholder Expenses from Campaign Accounts**

Sacramento does not have provisions for officeholder accounts but allows for officeholder expenditures from campaign accounts in accordance with state law. Contributions by persons to Councilmembers are limited to \$750 per election. Contributions by large political committees are limited to \$3,000 per election. Contributions to candidates for Mayor are limited to \$1,000 per election. Contributions by large political committees are limited to \$5,000 per election.

Contributions to officeholders in off-election years are considered contributions for the election in which the incumbent acquired his or her office unless the contributions are accepted and deposited into a new campaign account for a future election.

RICHARD DOYLE  
City Attorney

By: \_\_\_\_\_  
Norm Sato  
Chief Deputy City Attorney

cc: Lee Price, City Clerk