

#### AN ORDINANCE

Amending Chapter 20-1000 of The Philadelphia Code ("Political Contributions and Expenditures") to revise provisions and to make technical changes; all under certain terms and conditions.

#### THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Chapter 20-1000 of The Philadelphia Code is hereby amended as follows:

#### CHAPTER 20-1000. POLITICAL CONTRIBUTIONS AND EXPENDITURES

§ 20-1001. Definitions.

For purposes of this Chapter, the following definitions shall apply:

- (1) Board of Ethics *or Board*. The Board of Ethics created under Section 3-100(e) of the Philadelphia Home Rule Charter.
- (2) Campaign. A candidate, the candidate's candidate political committee and its officers, and agents of any of them.
  - (3) Candidate. \*\*\*
  - [(3)](4) \*\*\*
  - [(4)](5) \*\*\*
  - [(5)](6) \*\*\*
- [6] (7) Contribution. Money, gifts, forgiveness of debts, loans, or things having a monetary value incurred or received by (i) a [candidate or his/her agent] campaign(ii) for use in advocating or influencing the election of the candidate or [by] (ii) a former candidate to retire debt incurred to influence a covered election or to pay costs related to transition or inauguration to City elective office.
  - [7] (8) \*\*\*

[(8)] (9) Electioneering communication. Any publicly distributed broadcast, cable, radio, print, Internet, or satellite communication (a) that promotes, attacks, supports, or opposes a

BILL NO. 220361 continued

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candidate, or (b) that, within 50 days of a covered election, names, refers to, includes, or depicts a candidate in that covered election. The term shall not include: (i) sponsorship or organization of a candidate debate or forum; (ii) any news story, commentary, or editorial by any broadcasting station, newspaper, magazine, or other periodical publication, including any Internet periodical publication, unless the station, newspaper, magazine, or publication is owned or controlled by a candidate, political committee, *campaign*, or political party.

[(9)] (10) Excess pre-candidacy contributions. The amount of a person or committee's pre-candidacy contributions to a particular political committee that, had the contributions been made to a [candidate] *campaign* for elective City office, would have been in excess of the contribution limitations set forth in subsection 20-1002(1) or 20-1002(2).

#### [(10)] (11) Expenditure:

(a) The payment, distribution, loan or advancement of money or any valuable thing by a candidate, political committee, *campaign* or other person for the purpose of influencing the outcome of a covered election or to retire debt incurred to influence the outcome of a covered election or to cover expenses related to transition or inauguration to City elective office, including any expenditure for an electioneering communication;

\* \* \*

[(11)] (12) Person. An individual, partnership, corporation, sole proprietorship, or other form of business-organization.

$$[(12)](13)$$
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$$[(13)](14)$$
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[(14)] (15) Sample ballot. A ballot distributed by a *campaign or* political committee that lists more than one candidate in a specific covered election and recommends that voters vote for the listed candidates.

#### § 20-1002. Contribution Limitations.

- (1) Except as otherwise provided in this Section <u>20-1002</u>, no individual shall make total contributions per calendar year, including contributions made to or through one or more political committees or persons, of more than three thousand dollars (\$3,000), cumulatively, to:
  - (a) a [candidate] campaign for City elective [office,] office; or
- (b) to a former candidate or the candidate political committee of a former candidate for City elective office if that committee is carrying debt incurred to influence the outcome of a covered election.

BILL NO. 220361 continued

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- (2) Except as otherwise provided in this Section 20-1002, no person, other than individuals who are covered under subsection 20-1002(1), and no political committee shall make total contributions per calendar year, including contributions made to or through one or more political committees or persons, of more than twelve thousand dollars (\$12,000), cumulatively, to:
  - (a) a [candidate] campaign for City elective [office,] office; or
- (b) to the candidate committee of a former candidate for City elective office if that committee is carrying debt incurred to influence the outcome of a covered election.
- (3) No [candidate or candidate political committee] *campaign* may spend any excess pre-candidacy contributions for the purpose of influencing the outcome of a covered election in which [he or she] *that campaign's candidate* is a candidate.
- (4) No [candidate or candidate political committee] *campaign* may spend any excess pre-candidacy contributions for the purposes of:
  - (a) transition or inauguration expenses; or
  - (b) retiring debt that was incurred to:

\* \* \*

- (5) A pre-candidacy contribution made in the same calendar year that [a person] *an individual* becomes a candidate shall count toward the limitations on contributions set forth in subsections (1) and (2).
- (6) The limitations imposed by subsections 20-1002(1) and (2) shall not apply to contributions from a candidate's personal resources to the candidate's [candidate political committee] own campaign. However, if such contributions made since the more recent of (i) the most recent election cycle for the office sought by the candidate, or (ii) the last municipal election in which the candidate sought office total two hundred fifty thousand dollars (\$250,000) or more [(regardless of the time period over which such contributions are made)], then the contribution limits set forth in subsections 20-1002(1) and (2) above shall double with respect to [candidates] other campaigns for that City elective office. The contribution limits set forth in subsections 20-1002(7) and (8) below shall not double based on such a contribution of personal resources.
- (7) Notwithstanding the limits set forth in subsections 20-1002(1) and (2), if a [candidate] *campaign* establishes a Litigation Fund Committee pursuant to Section 20-1009:

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BILL NO. 220361 continued

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(8) Notwithstanding the limits set forth in subsections 20-1002(1) and (2), if a [candidate] *campaign* or former candidate establishes a Transition and Inauguration Committee pursuant to Section 20-1011:

\* \* \*

(9) The limitations imposed by subsections 20-1002(7) and (8) shall not apply to contributions from a candidate's personal resources or from a candidate's *own* candidate political committee. A [candidate] *campaign* [candidate] *campaign* or former candidate shall not transfer funds to [his or her] *its* candidate political committee from a Litigation Fund Committee or a Transition and Inauguration Committee.

\* \* \*

(13) If a candidate makes an expenditure to a political committee in order to have [his or her] *the candidate's own* name placed on a sample ballot distributed by that political committee, any expenditures made by the political committee for printing or distribution of the sample ballot on which the candidate appears shall not be counted as a contribution to the candidate for the purpose of calculating the contribution limits set forth in this Section.

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### § 20-1005. Injunctive Relief.

Any person residing in the City of Philadelphia, including the City Solicitor may bring an action for injunctive relief in any Court of competent jurisdiction to enjoin any violations of, or to compel compliance with, the provisions of this Chapter. The Court may award to a prevailing plaintiff in any such action [his or her] *the plaintiff's* costs of litigation, including reasonable attorney's fees.

§ 20-1006. Campaign Finance Disclosure.

\* \* \* \* (1) \* \* \*

(e) In a report filed pursuant to subsection (c), if a person, other than a political committee or an individual, has segregated funds used to make expenditures into one or more accounts separate from funds not used to make expenditures, that person is only required to disclose the source of contributions deposited in the segregated accounts used to make expenditures. An individual who files a report pursuant to subsection (c) is only required to disclose contributions that [he or she] he individual receives or solicits in order to fund the expenditures disclosed in the report.

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BILL NO. 220361 continued

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(3) In carrying out its duties under this Section, the Board of Ethics shall work with the City Commissioners to devise efficient means of advising candidates, *campaigns*, treasurers, political committees and other persons of the requirements of this Section, and to devise means of coordinating the activities of the Board of Ethics under this Section with the duties of the City Commissioners to receive, file and promptly make available for public inspection all required reports filed by candidates, *campaigns*, treasurers, political committees and other persons.

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#### § 20-1009. Litigation Funds.

(1) In addition to establishing a political committee to receive campaign contributions, a [candidate] *campaign* for City elective office may establish a separate committee to solicit and receive contributions to a litigation fund. The name of such separate committee shall include the terms "Litigation Fund".

\* \* \*

- (3) A candidate shall establish a single committee to receive and expend litigation funds for the purposes set forth in subsection (2), above, and a single separate checking account for such purposes, except that this shall not prohibit a candidate from making expenditures from [his or her] *that candidate's* candidate political committee for the purposes set forth in subsection (2), above. The Board of Ethics shall by regulation require a candidate to provide the Board with such information as the Board deems necessary to identify the candidate's litigation fund committee and checking account, within such period of time as the Board specifies.
- (4) Each litigation fund committee shall have a treasurer who shall be responsible for keeping records of contributions and expenditures to the same extent and in the same detail that records of contributions and expenditures must be kept by the candidate's candidate political committee *and campaign* pursuant to this Chapter or applicable State law.

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#### § 20-1011. Transition and Inauguration Committees.

- (1) A candidate or [person] *individual* elected to City office shall use a political committee that is separate from [his or her] *that candidate's* candidate political committee to solicit and receive contributions for transition or inauguration into City elective office. The name of such committee shall contain the terms "Transition" and "Inauguration".
- (2) Funds held by a Transition and Inauguration Committee may only be used to pay costs incurred for the transition or inauguration into City elective office of the elected [person] *individual*.

BILL NO. 220361 continued

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- (3) A candidate or [person] *individual* elected to City office shall use only one committee and one checking account to receive and expend funds for expenses of [his or her] *that individual's* transition or inauguration into City elective office, except that nothing shall prohibit a former candidate from transferring money raised while a candidate from the elected person's candidate political committee to [his or her] *that candidate's* Transition and Inauguration Committee. The Board of Ethics shall require a candidate or [person] *individual* elected to City office to provide the Board with such information as the Board deems necessary to identify the candidate's transition and inauguration committee–and checking account, within three business days of formation of the committee.
- (4) Each Transition and Inauguration Committee shall have a treasurer who shall be responsible for keeping records of contributions and expenditures to the same extent and in the same detail that records of contributions and expenditures must be kept by a candidate's political committee *and campaign* pursuant to this Chapter and applicable State law.

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BILL NO. 220361 continued	Certified Copy

BILL NO. 220361 continued

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on June 9, 2022. The Bill was Signed by the Mayor on June 22, 2022.

Michael A. Decker

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Chief Clerk of the City Council