

SEATTLE CITY COUNCIL



PUBLIC CAMPAIGN FINANCING

BACKGROUND AND ISSUES TO CONSIDER

May 7, 2014

OUTLINE

1. Review 2013 public campaign financing proposal
2. Review structure of 2013 proposal
3. Identify issues for districts

2013 PROPOSAL

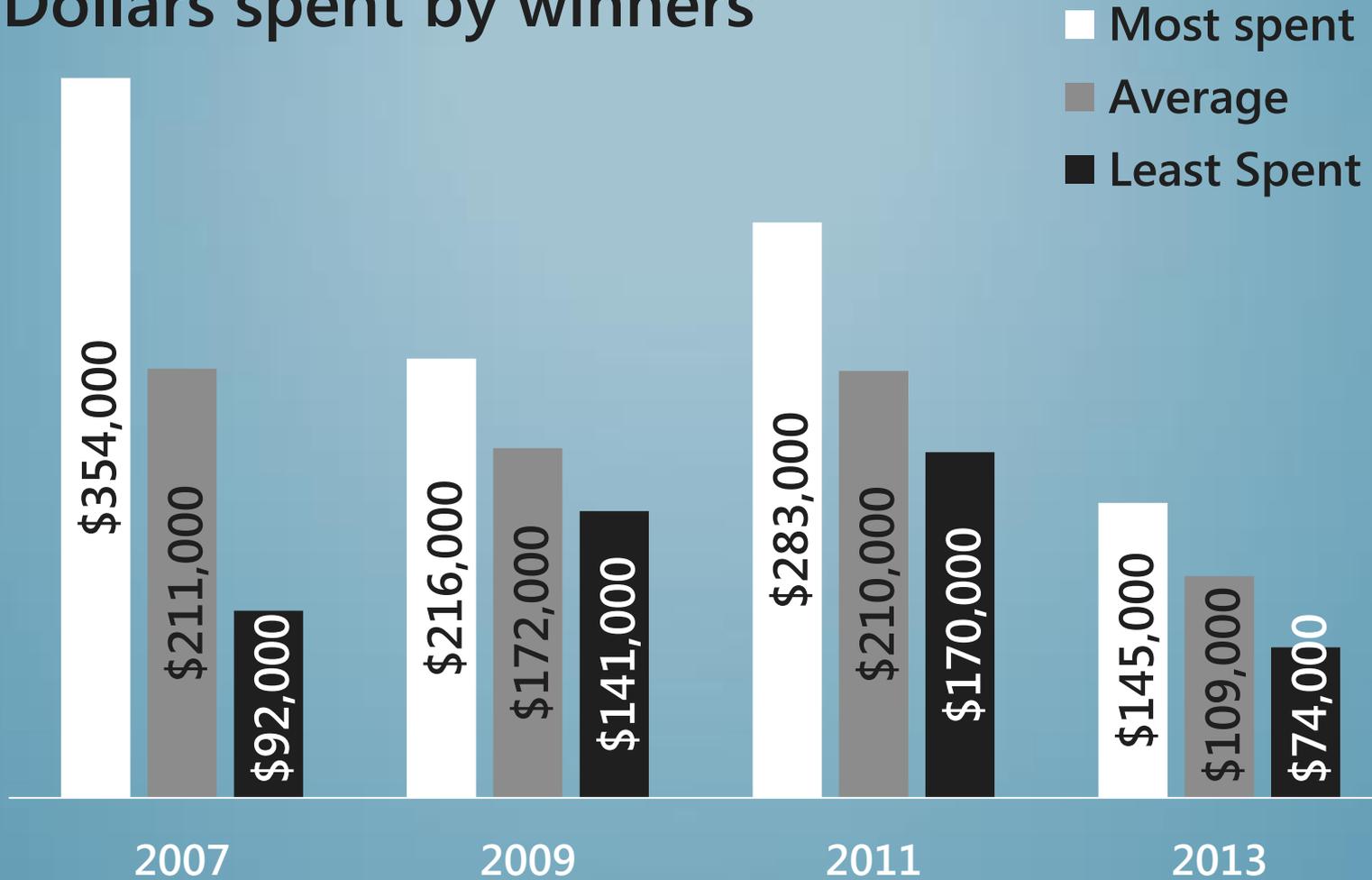
- Ordinance 124212 passed by the City Council in July 2013
- Would have publicly matched donations to Council candidates
- Sent to voters in November 2013
- Lost by 0.8% - 1,426 votes
- Charter Amendment 13 approved by the voters created 7 districts and 2 at-large council seats

2013 PROPOSAL GOALS

- Reduce financial barriers to entry for candidates
- Increase electoral competitiveness
- Increase the role and emphasis on small donors in the electoral process

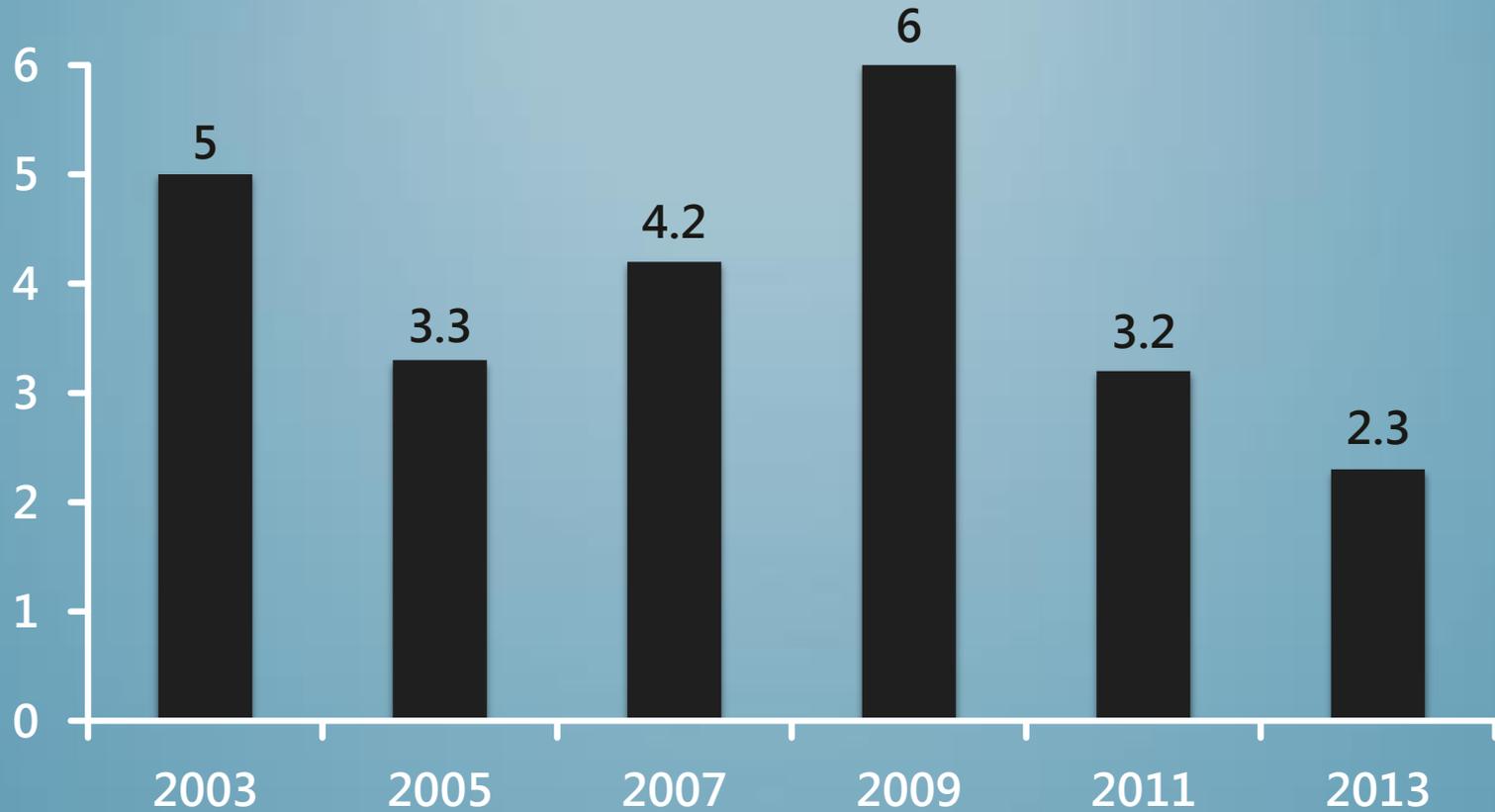
REDUCE BARRIERS TO ENTRY

Dollars spent by winners



INCREASE COMPETITIVENESS

Average Number of Candidates Running per Seat



INCREASE ROLE OF SMALL DONORS

Percentage of contributions under \$100
(All City Council races)



2013 PROPOSAL PROGRAM

- Voluntary program
- \$6 matches \$1 of “qualifying donations”
- Matches up to \$210,000 per candidate
- Half of funds in primary, half in general

2013 PROPOSAL ELIGIBILITY

- Candidate in citywide Council race
- Credible opponent (raised at least \$6,000)
- 600 donations, \$10 or more from residents
- Agree to participate in 3 debates or forums

2013 PROPOSAL QUALIFYING DONATIONS

Matched at \$6 for every \$1 raised

- From City residents
- Not from groups or corporations
- Up to \$50

2013 PROPOSAL SPENDING CAPS

Primary limit: \$140,000

Campaign cap: \$245,000

Cap raised if more money is spent against candidate by opponents or independent expenditures

2013 PROPOSAL ADMINISTRATION

- Levy lift for 6 years (2014-2019)
- Up to \$2,000,000 annually
- Pay for matching funds and administration

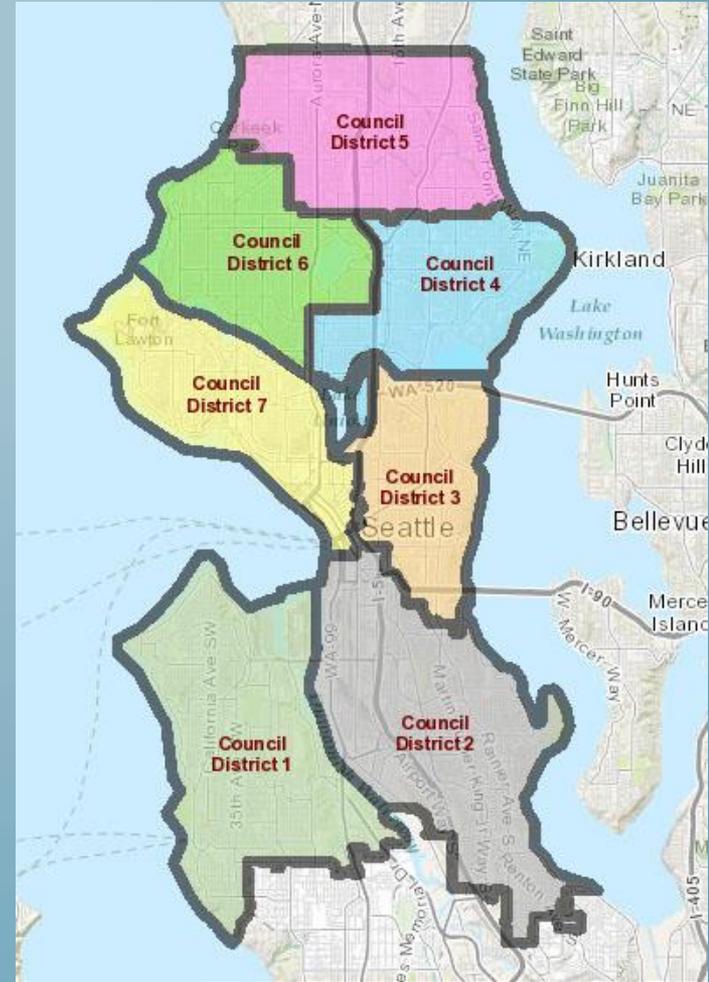
2013 PROPOSAL + DISTRICTS

DISTRICTS

Charter Amendment 19

7 District seats
~87,000 residents each

2 Citywide seats
~610,000 residents



2013 PROPOSAL +DISTRICTS

WHAT MIGHT STAY THE SAME

- 2013 proposal for citywide candidates
- A voluntary program for City Council candidates with credible opponents
- 6:1 match for donations up to \$50
- Only Seattle residents' donations matched
- ½ of matching funds available in primary
- 6 year levy lift

2013 PROPOSAL +DISTRICTS ISSUES

How to apply program to district seats?

1. Minimum number of donors?
2. Residence of donors?
3. Cap on spending?
4. Timing

2013 PROPOSAL + DISTRICTS DONORS

How many donors are required to qualify?

2013 proposal: 600 city residents

Other Cities' minimum requirements:

New York: 75 donors from district

San Francisco: 100 city residents

Tucson: 200 city residents

Los Angeles: 200 donors from district

2013 PROPOSAL +DISTRICTS DONORS

How many donors are required to qualify?

Options:

Between 200 and 400 donors to qualify

2013 PROPOSAL +DISTRICTS RESIDENCE OF DONORS

Must donors be residents of the district in order to have their donation matched?

Consider impacts on:

- Representing district vs. representing city
- Representing communities that are not concentrated in a single district vs. having a base of support in a district

2013 PROPOSAL +DISTRICTS RESIDENCE OF DONORS

Must donors be residents of the district in order to have their donation matched?

Options:

Only district resident donations qualify;

Any City resident's donation qualifies; or

Some donations need to come from district

2013 PROPOSAL + DISTRICTS SPENDING CAP

What should the cap be for district races?

- Average amount spent in Seattle races (2007-2013): ~\$180,000
- Other cities: district candidates spend 50-55% compared to citywide candidates
- State legislative races: ~\$95,000
- Campaign consultants' estimates: \$120,000-\$190,000

2013 PROPOSAL +DISTRICTS SPENDING CAP

What should the cap be for district races?

Consider: \$100,000 - \$180,000

2013 PROPOSAL + DISTRICTS TIMING

Upcoming races

2015: All 9 seats

2017: 2 Citywide seats

2019: 7 district seats

November vote would require June action

November 2014 election results would be available approximately one month before 2015 registration begins

2013 PROPOSAL +DISTRICTS COSTS

Assumptions:

6 year levy, covering elections in 2015-2020

At least 300 donors to qualify

\$140,000 cap for district seats

(\$20,000 raised+ \$120,000 match)

Average 4 candidates per race

2013 PROPOSAL +DISTRICTS COSTS

2015-2020 program costs: \$9,054,000

Annualized costs = \$1,509,000

Cost per \$1,000 of assessed value = \$0.0117

Cost per \$400,000 house = \$4.69

2013 PROPOSAL +DISTRICTS OTHER ISSUES

Questions?