

**Options for A Proposed Austin Democracy Dollars Voucher Program
(Draft is Based Primarily on Seattle’s Law’s Language with Suggested Austin Adjustments by
the Campaign Finance Committee)**

By the CRC Campaign Finance Committee (February 26, 2018)

1. Number and Amount of Vouchers Per Holder? (See Draft Article I, Section (B)(1)).

Committee Recommendation: One \$50 Voucher for council district the person resides in and for one \$50 Voucher for mayoral candidate. Maximum of 2 \$50 Vouchers per election cycle. So, for example, in 2018, all holders could give a \$50 voucher to a mayoral candidate and half the holders to a council candidate in their district. Options: The number and amount of vouchers could vary.

2. Who Vouchers Would Be Mailed to? (Article I, Section (B)(1)). Committee Recommendation:

Mailed to all those on the official registration rolls on or about December 1 of previous year (when the registration rolls are “cleaned”). Also, mailed to new registrants subsequently registered up to the third Tuesday in November of the election year. Options: Could be mailed to more or less people.

3. Who Can Receive Vouchers? (Article I, Section (B)(1)). Committee Recommendation: Any adult eighteen years or older eligible to vote or donate. Options: Could be just registered voters or just those eligible to vote.

4. Who Can Holders Give the Vouchers to? (Article I, Section (B)(4)). Committee

Recommendation: Donate only to a candidate holder resides in their jurisdiction, i.e., the mayor and a candidate in the single member district they reside in. Options: Could be like in Seattle and be allowed to donate to any candidate wherever the holder resides (i.e., holder doesn’t reside in candidate’s council district).

5. How May One Redeem Vouchers? (Article I, Section (B)(3)). Committee Recommendation:

May redeem by mail, in person or online once established and secure.

6. When May Candidates File to Participate? (Article I, Section (C)(2)). Committee

Recommendation: Candidates may file to participate as early as the previous July 1 and within 4 weeks of filing a declaration of candidacy. Options: Filing could be made earlier or later.

7. What are the Requirements to Participate? (Article I, Section (C)(2)). Committee

Recommendation: Participating candidates must comply with certain requirements: contribution limits (those in Article III, Section 8 for the Mayor’s race (\$350 an election) and half that for Council races (\$175 an election); candidate can only self-contribute up to the Article III, Section 8 contribution limits to their campaign; and candidates must participate in Commission debates. Options: Requirements and limits could differ.

8. How Does A Participating Candidate Qualify? (Article I, Section (C)(2)) Committee

Recommendation: Mayoral candidates must get 400 resident signatures and \$400 contributions of \$10 plus. City Council candidates must get 150 signatures and 150 \$10 plus contributions from residents of the district they are running in. Options: Could vary these amounts and not have council residency requirement for contributions and signatures.

9. Do Qualifying Candidates Receive Seed Money? (Article I, Section (C)(4)). Committee Recommendation: Yes, \$5,000 within 5 days of qualifying. Options: Could be none or different amount.

10. Is there an aggregate voucher limit per candidate? (Article I, Section (C)(5)). Committee Recommendation: Yes. Mayoral candidates: \$300,000 per general, \$300,000 per runoff; Council candidates: \$75,000 per general, \$75,000 per runoff. Options: Amounts could vary.

11. Is there an Expenditure Limit for Participating Candidates? Committee Recommendation: No. There is an aggregate cap on vouchers per candidate per election and contribution limits, but no expenditure limit because of the difficulties involved post the *Arizona* Supreme Court case. Option: We could have an expenditure limit similar to Seattle's with a waiver.

12. What Limits Are There on What Vouchers Can Be Spent On? (Article I, Section (C)(9)). Committee Recommendation: Strict limits on spending vouchers only on their campaigns; cannot spend on goods or services of their relatives or their businesses; Commission may tighten rules on what is a proper campaign use for vouchers, since state law is weak. Option: Don't have such rules.

13. Rulemaking Authority of Commission? (Article I, Section(D)(1)). Committee Recommendation: Commission has authority to promulgate rules to effectuate the Program and to adjust qualifying thresholds, seed money limits, and voucher aggregate limits to fulfill purposes of the Program. (Article I, Section (C)(3),(C)(4), (C)(5)). Option: Don't allow.

14. Penalties for Violations? (Article I, Section (D)(4)). Committee Recommendation: An intentional or knowing violation is a Class C misdemeanor for each separate violation of this law for each separate day. Same as for recent lobby law reform. Options: Can vary penalty language.

15. What if the Commission Doesn't Get Created? (Article I, Section (D)(5)). Committee Recommendation: Duties would be performed by City Clerk or Successor Entity.

16. How are the Program Vouchers Funded? (Article I, Section (E)(2)) Committee Recommendation: All candidate filing fees; all campaign finance, lobbyist and ethics fees and fines; all donations and grants accepted by the Commission; all gross utility public checkoff funds; \$1.5 million transfer from Austin Energy's general transfer to the City; and other designated funds. Options: Other potential sources.

17. What If There Is an Excess? Article I, Section (E)(6). Recommendation: If there is an excess of funds for the foreseeable future for the Program, the Commission may return the excess.