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COUNCIL OF THE CITY OF PHILADELPHIA
PUBLIC HEARING
BEFORE THE COMMITTEE ON LAW AND GOVERNMENT

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Room 400, City Hall
Philadelphia, Pennsylvania
Thursday, June 8, 2000
9:25 a.m.

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Campaign Finance Reform Legislation:

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Bill No. 000356

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Bill No. 000357

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Res. No. 000380

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PRESENT: COUNCILMAN DAVID COHEN, Chair
COUNCILMAN ANGEL L. ORTIZ, Vice Chair
COUNCILMAN W. WILSON GOODE, JR.
COUNCILMAN RICHARD T. MARIANO
COUNCILMAN FRANK RIZZO

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2 P R O C E E D I N G S

3 COUNCILMAN COHEN: The Committee on Law
4 and Government is now in session with respect to
5 Bill No.'s 000356, 000357 and Resolution No.
6 000380, all relating to campaign finance reform.

7 The Chair is going to call on
8 Councilman Ortiz, the vice chairman of the
9 committee and one of the two chief sponsors of the
10 legislation.

11 COUNCILMAN ORTIZ: Thank you,
12 Mr. Chairman. I'd like to begin by reading into
13 the record an editorial in today's Philadelphia
14 Inquirer.

15 "As Philadelphians gape at the tens of
16 millions Jon S. Corzine is spending in New Jersey,
17 they should also cringe at the \$27 million that
18 John Street and his rivals spent last year for the
19 office of mayor.

20 "It's no consolation that he and his
21 opponents were last running the traditional way --
22 spending other people's money rather than their
23 own.

24 "Sure, some of the money was from
25 friends who just want good government, but much of

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2 it was meant to buy access and influence. Some
3 contributors hit the \$100,000.

4 "As this money game pulls elected
5 officials toward special interests, it poisons
6 public confidence mark in their leaders.

7 "Yet Philadelphia is not the norm of
8 the nation's ten largest cities. Only
9 Philadelphia and San Antonio have no limits on
10 campaign contributions. It's time to clean up
11 this mess, a goal that City Council can advance
12 today.

13 "The city needs sensible limits on
14 campaign checks and matching funds as the carrot
15 to get candidates to abide by spending limits.
16 City Councilman Angel Ortiz and James Kenney
17 recently introduced such a plan for mayoral and
18 council races. They have been honing it based on
19 local feedback and on testimony about other
20 cities' experience.

21 "In any year, an individual could give
22 a candidate for city office, excluding judgeships,
23 up to \$1,000 for a primary and the same for a
24 general elections. Political action committees
25 (PACs) could give \$5,000 per election per year, no

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2 more than 5- and 6-figure checks.

3 "A mayoral candidate who wanted
4 matching funds would have to limit total spending
5 to 4 million -- half in the primary season, half
6 for the general election. That's plenty for
7 getting one's message across. The limit in Los
8 Angeles, a much bigger city, is \$3.8 million.

9 "Council candidates would be limited
10 per election to \$200,000 for at-large seats or
11 \$125,000 for district seats. This system of
12 matching funds and spending limits will require a
13 change in the City Charter, which supporters hope
14 will be on the November ballot.

15 "Some folks look at the City's pressing
16 needs and complaints that Philadelphia can't
17 afford the more than \$1 million a year that the
18 initiative will cost. But in light of all the
19 temptations to wave tax dollars on political pals,
20 from pinstripe patronage to expensive holes in the
21 ground, it's the status quo that's unaffordable.

22 "Other critics object in principle that
23 a lowly politician couldn't possibly deserve a
24 subsidy from the public till. That notion gets
25 things backwards. The unprincipled system is to

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2 let special interests and fat cats spend unlimited
3 dollars to lease politicians."

4 Today's hearing will be recessed until
5 9 o'clock on Thursday. Jim Kenney and I had a
6 conversation with Mayor Street yesterday in which
7 the Mayor expressed an interest to work together
8 to be able to look at campaign finance reform and
9 come to an amenable and supportable bill so that
10 everybody would be on the same page, and perhaps
11 we could go forward with this most meaningful of
12 legislation.

13 We are trying to change the rules, we
14 are trying to play by new lines in the old
15 ballfield. I think the conversation between the
16 Mayor and myself and Jim Kenney is a positive
17 beginning. And at his request, we are recessing
18 this hearing until next Thursday, at 9 o'clock,
19 when we will take up the amendments that we have
20 proposed. And we will be meeting with Mayor
21 Street, I think, on Monday, right Jimmy? Monday.

22 So I think we have come a long way
23 towards achieving the goal of putting Philadelphia
24 back on good financial footing in terms of its
25 campaigns, political campaigns. I would hate to

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2 see a Jon S. Corzine run in the City of
3 Philadelphia and buying any seat, whether it be
4 committee person or anything else.

5 So, David, I think we should stand in
6 recess until 9 o'clock on Thursday next.

7 COUNCILMAN COHEN: Yes. I think this
8 shows that City Council is always ready to sit
9 down and discuss with the Administration. We hope
10 the same will be true on a reciprocal basis on all
11 issues.

12 The committee will stand in recess
13 until 9 a.m., a week from today, June 15th.

14 Thank you all.

15 (Adjourned at 9:33 a.m.)

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C E R T I F I C A T E

I HEREBY CERTIFY that the foregoing
proceedings of the Council of the City of
Philadelphia of Thursday, June 8, 2000, were
reported fully and accurately by me, and that this
is a correct transcript of same.

RE: COUNCIL COMMITTEE ON LAW AND GOVERNMENT
BILL NO.'s 000356, 357, RES. NO. 000380

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JOSEPHINE CARDILLO,
Registered Professional Reporter