

1
2 COUNCIL OF THE CITY OF PHILADELPHIA
3 PUBLIC MEETING
4 BEFORE THE COMMITTEE ON LAW AND GOVERNMENT
5 - - -
6 Room 400, City Hall
7 Philadelphia, Pennsylvania
8 Thursday, June 15, 2000
9 11:15 a.m.
10 - - -
11 BILL NO. 000356 - Amending Title 20 of the
12 Philadelphia Code entitled "Officers and
13 Employees"
14 RES. NO. 000380 - Proposing amendment to Home Rule
15 Charter to establish a Campaign Finance Board
16 - - -
17 PRESENT:
18 COUNCILMAN DAVID COHEN, Chair
19 COUNCILMAN ANGEL L. ORTIZ, Vice-Chair
20
21 COUNCILMAN RICHARD T. MARIANO
22 COUNCILMAN MICHAEL A. NUTTER
23 COUNCILMAN W. WILSON GOOD, JR.
24 COUNCILMAN FRANK RIZZO
25 - - -
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333
334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403
404
405
406
407
408
409
410
411
412
413
414
415
416
417
418
419
420
421
422
423
424
425
426
427
428
429
430
431
432
433
434
435
436
437
438
439
440
441
442
443
444
445
446
447
448
449
450
451
452
453
454
455
456
457
458
459
460
461
462
463
464
465
466
467
468
469
470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495
496
497
498
499
500
501
502
503
504
505
506
507
508
509
510
511
512
513
514
515
516
517
518
519
520
521
522
523
524
525
526
527
528
529
530
531
532
533
534
535
536
537
538
539
540
541
542
543
544
545
546
547
548
549
550
551
552
553
554
555
556
557
558
559
560
561
562
563
564
565
566
567
568
569
570
571
572
573
574
575
576
577
578
579
580
581
582
583
584
585
586
587
588
589
590
591
592
593
594
595
596
597
598
599
600
601
602
603
604
605
606
607
608
609
610
611
612
613
614
615
616
617
618
619
620
621
622
623
624
625
626
627
628
629
630
631
632
633
634
635
636
637
638
639
640
641
642
643
644
645
646
647
648
649
650
651
652
653
654
655
656
657
658
659
660
661
662
663
664
665
666
667
668
669
670
671
672
673
674
675
676
677
678
679
680
681
682
683
684
685
686
687
688
689
690
691
692
693
694
695
696
697
698
699
700
701
702
703
704
705
706
707
708
709
710
711
712
713
714
715
716
717
718
719
720
721
722
723
724
725
726
727
728
729
730
731
732
733
734
735
736
737
738
739
740
741
742
743
744
745
746
747
748
749
750
751
752
753
754
755
756
757
758
759
760
761
762
763
764
765
766
767
768
769
770
771
772
773
774
775
776
777
778
779
780
781
782
783
784
785
786
787
788
789
790
791
792
793
794
795
796
797
798
799
800
801
802
803
804
805
806
807
808
809
810
811
812
813
814
815
816
817
818
819
820
821
822
823
824
825
826
827
828
829
830
831
832
833
834
835
836
837
838
839
840
841
842
843
844
845
846
847
848
849
850
851
852
853
854
855
856
857
858
859
860
861
862
863
864
865
866
867
868
869
870
871
872
873
874
875
876
877
878
879
880
881
882
883
884
885
886
887
888
889
890
891
892
893
894
895
896
897
898
899
900
901
902
903
904
905
906
907
908
909
910
911
912
913
914
915
916
917
918
919
920
921
922
923
924
925
926
927
928
929
930
931
932
933
934
935
936
937
938
939
940
941
942
943
944
945
946
947
948
949
950
951
952
953
954
955
956
957
958
959
960
961
962
963
964
965
966
967
968
969
970
971
972
973
974
975
976
977
978
979
980
981
982
983
984
985
986
987
988
989
990
991
992
993
994
995
996
997
998
999
1000

1 PUBLIC MEETING

2 COUNCILMAN COHEN: The Committee on
3 Law and Government will resume its meeting that had
4 been called for 9 o'clock and recessed until 11:15.
5 If you look at the clock, we are almost on time.

6 Would the committee please come
7 forward.

8 Councilman Nutter is present,
9 Councilman Ortiz, Councilman Goode, Councilman
10 Rizzo, Councilman Cohen. That constitutes a
11 quorum.

12 There are two matters before the
13 committee. The first matter I will dispose of very
14 quickly.

15 I do not have prepared for today the
16 report on the NTBE. I hope to get it prepared
17 during the week. It is in preparation now. I will
18 circulate it to all members of the committee, I hope
19 by early next week, and hope to get it to the rest
20 of the members of City Council during the week so we
21 can act on the report finally at next Thursday's
22 meeting. But that's all that we are going to be
23 able to do on the NTBE.

24 With respect to campaign finance,
25 that's now before the committee.

1 PUBLIC MEETING

2 I understand that Councilman Ortiz
3 and Councilman Kenney have a series of amendments to
4 the bill. And I would ask Councilman Ortiz to read
5 into the record the amendments that he is offering
6 to the bill on his and Councilman Kenney's behalf.

7 COUNCILMAN ORTIZ: Thank you, Mr.
8 Chairman.

9 On Article 13, Campaign Finance
10 Reform, Chapter 1, Campaign Finance Board and Fund.
11 In Section 13-102, Powers and Duties of Campaign
12 Finance Board, the changes will be in the
13 following: This section will read as I state it,
14 "The Campaign Finance Board established in this
15 Article shall administer and enforce the City's
16 campaign finance program as ordained in accordance
17 with this article."

18 This is brand-new in this chapter,
19 "In so doing it may retain professional services
20 including, but not limited to, counsel of its own
21 choosing, and may conduct such audits of the books
22 and records of any persons or entities subject to
23 the powers of the Board, and such other compliance
24 measures, as it deems necessary and proper."

25 In Section 13-103, Campaign Finance

1 PUBLIC MEETING

2 Fund, Section 2, Parenthesis 2: "An amount at least
3 equal to \$1 million shall be appropriated annually
4 to the Campaign Finance Fund for the work of the
5 Campaign Finance Board. Furthermore, Council and
6 the Mayor shall assure that sufficient funds are
7 available at all times," brand new wording, "in the
8 Campaign Finance Fund, and are appropriated annually
9 from the Fund, to enable the Board to perform its
10 dues and to disperse public financing to municipal
11 candidates to the extent, and in the manner,
12 prescribed by ordinance. If at any time it appears
13 that the amount of money in the Fund, or that has
14 been appropriated from the Fund, is insufficient, or
15 is likely to be insufficient, for such purposes,
16 then the Board, or any registered Philadelphia
17 voter, may petition the Court of Common Pleas of
18 Philadelphia County from a mandamus to the Council
19 and Mayor to provide appropriate funding."

20 Parentheses 3, in Section 13-103, the
21 top part is eliminated, and we begin with,
22 "Notwithstanding the terms of Section 8-102 or any
23 other provision of this Charter, neither the Mayor,
24 the Finance Director, nor any other officer of the
25 City may limit, restrict, or impair the power of the

1 PUBLIC MEETING

2 Campaign Finance Board to make expenditures that
3 have been duly appropriated."

4 I will read the proposed amendment to
5 Bill No. 000356, An Ordinance. Chapter 20-800,
6 Campaign Finance, Section 20-801, Definitions. In
7 Parenthesis 2, the line after, "a person becomes a
8 candidate by," "any action taken for the purpose of
9 gaining election including but not limited to," that
10 is taken out. That will be eliminated.

11 Section 2, Parenthesis 2, will read,
12 "Candidate. Any person running for election to
13 municipal office in the City of Philadelphia,
14 including those affected officials running for
15 reelection, with the exception of judicial
16 candidates. For the purposes of this Chapter, a
17 person becomes a candidate by creating a campaign
18 committee, circulating a nominating petition,
19 soliciting pledges or contributions, or holding a
20 press conference for the purpose of announcing said
21 candidacy."

22 Parenthesis 3, "Contribution. Money,
23 gifts," and we add, "forgiveness of debts, loans,
24 with the exception of loans to offset reimbursable
25 expenses from public campaign financing, property,

1 PUBLIC MEETING

2 or things having a monetary value incurred or
3 received by a candidate or his/her agent for use in
4 advocating or influencing the election of the
5 candidate," period.

6 "Contributions shall also include
7 the purchase of tickets for events such as dinners,
8 luncheons, rallies and all other fund-raising
9 events, the granting of discounts or rebates not
10 available to the general public, the granting of
11 discounts or rebates by the media not extended on an
12 equal basis to all candidates for the same office,
13 and any payment for the services of any person
14 serving as an agent of a candidate or his/her
15 political committee by a person other than the
16 actual candidate or his/her authorized political
17 committee.

18 In Parenthesis 6, Independent
19 Expenditure, we will add, "An expenditure by a
20 person or political committee."

21 In Parenthesis 7, we will eliminate
22 "Register of Wills," that being a State office.

23 Parenthesis 8, reading, "Person." We
24 will add, "sole proprietorship or other form of
25 business organization permitted under the laws of

1 PUBLIC MEETING

2 the Commonwealth to make political contributions."

3 We have now Section 20-802, Mandatory
4 Campaign Contribution Limitation. In Parenthesis 1
5 we shall add, "per covered election per year."

6 In Parenthesis 2, we will add, "per
7 year of more than \$5,000 to a candidate for any
8 municipal office."

9 Parenthesis 3, small letter I, it
10 shall read, "Candidates for Mayor may receive
11 contributions totaling no more than \$200,000 per
12 year."

13 Parenthesis small I, ii, "All other
14 candidates for municipal office may receive
15 contributions totaling no more than \$100,000 per
16 year."

17 Paren 4, "The limitations imposed by
18 this Chapter shall not apply to contributions from a
19 candidate's," we will add, "from a candidate's
20 personal resources to the candidate's own campaign."

21 Section 20-803, Campaign Accounts.
22 We will eliminate, "into which all contributions for
23 such office shall be made," and a sentence down,
24 "for which contributions are solicited, such."

25 We will then have the section read as

1 PUBLIC MEETING

2 follows: "A candidate for City office shall have no
3 more than one campaign committee and one checking
4 account for the city office being sought, out of
5 which all campaign expenditures for that office
6 shall be made. If the candidate for office
7 maintains other political or nonpolitical checking
8 accounts, funds collected in these accounts shall
9 not be used in any campaign for municipal office."

10 Section 20-804, Voluntary Expenditure
11 Limitations, Campaign Contract. Section 1, smaller
12 A, parenthesis, we will add in the smaller A
13 parenthesis, "Effective for the elections for Mayor
14 and City Council in the Year 2003 and thereafter,"
15 added.

16 And in Section 2, small letter A, the
17 section will read as follows: "A candidate who
18 signs a campaign contract shall make no
19 contributions to his or her own campaign or
20 political committee which in the aggregate exceeds,"
21 and we add, "15 percent of the applicable
22 expenditure limit per election."

23 Small letter B, in Section 2, we will
24 eliminate after "committee." "Loans made by a
25 candidate to his or her own political committee,"

1 PUBLIC MEETING

2 eliminate the next sentence and it reads, "shall be
3 deemed to be contributions and subject to the
4 voluntary limitations as set forth above."

5 In Parenthesis 3, in voluntary
6 expenditures, we changed the figure and the number
7 of monies to read as follows, "A candidate who signs
8 a campaign contract in accordance with Section
9 20-805(1) of this Chapter shall not make
10 expenditures per covered election in excess of the
11 following amounts: Mayor, \$2 million; City Council
12 Member-at-Large, \$200,000; District City Council
13 Member, \$125,000."

14 Section 20-805, Eligibility for
15 Public Financing. "To be eligible for public funds
16 a candidate must meet all the requirements of the
17 law to have his or her name on the ballot, face one
18 or more opponents in the election for which he or
19 she is seeking funds."

20 Small letter A, we will change the
21 following: "For the office of Mayor, raise \$20,000
22 with contributions of no more than \$100 from no less
23 than 200 contributors;" B, "For the office of City
24 Council Members-at-Large, \$5,000, with contributions
25 of no more than \$100 from no less than 100

1 PUBLIC MEETING

2 contributors; for the Office of District City
3 Council Member, raise \$5,000, with contributions of
4 no more than \$100 from no less than 50 contributors;
5 agree to participate in at least two pre-election
6 debates as delineated," that remains the same.

7 Section 2, we will eliminate in
8 Section 2 the following sentence: "For City wide
9 municipal office," and the last sentence, in that
10 section, "For the purpose of establishing
11 eligibility for public financing of candidates for
12 each District Council office, only those
13 contributions received from individual residents of
14 such Council district shall be counted," that's
15 eliminated.

16 Public Funding Formula. No. 5, small
17 letter A, "For all contributions of \$100 or less,
18 eligible candidates running in a covered election
19 from residents of the city, the candidate shall be
20 entitled to receive \$4 for every dollar donated, but
21 not in a total amount exceeding 80 percent of the
22 applicable expenditure ceiling set forth in Section
23 20-804(3)(a).

24 Small letter parenthesis ii, dotted
25 I's, we changed the last part of that sentence, of

1 PUBLIC MEETING

2 that, "the amount of expenditure limitations as set
3 forth in Section 20-804(3) or 20-805(5)(c),
4 whichever is applicable."

5 Parenthesis C, eliminate, "Shall no
6 longer apply," begin at, "For the targeted
7 candidate, shall be raised by the amount of the
8 expenditures made in said independent expenditure
9 campaign," eliminate the rest of the sentence as
10 following that.

11 Permitted Use of Public Matching
12 Funds, Parenthesis 6. "Public matching funds may
13 not be used to pay personal expenses, but shall be
14 expended only for the candidate's direct campaign
15 purposes, but not limited to purchasing campaign
16 literature or media space or time, mailings, renting
17 campaign headquarters, or paying for campaign
18 telephones or poll workers."

19 Eliminate, "A candidate who signs a
20 campaign contract may not use contributions or
21 public matching funds for indirect campaign expenses
22 such as, but not limited to, personal expenses or
23 donations to another candidate or political
24 committee." That is eliminated, and the rest
25 remains the same.

1 PUBLIC MEETING

2 Section B, small letter I,
3 Composition and Appointment. "The Independent
4 Campaign Finance Board shall consist of five members
5 who shall be appointed as follows: Two Board
6 members who are not members of the same political
7 party shall be appointed by the Mayor, two Board
8 members who are not members of the same political
9 party be shall appointed by the City Council, and
10 one Board member who is not a member of any
11 political party whose membership includes other
12 Board members shall be appointed by the City
13 Controller." The rest remains the same.

14 Small letter ii, parenthesis, we
15 change and we begin after, "in the appointment of
16 the member to be replaced. Subject to the
17 provisions of Section 20-807(b)(iv), Board members
18 may be removed only by their appointing power prior
19 to termination of their terms, only for just cause."

20 Parenthesis iii, "The Mayor and the
21 City Council shall make their initial appointments
22 within 45 days, and the Controller shall make his or
23 her initial appointment within 60 days of the
24 effective date of this section. Upon failure of the
25 Mayor, Council, or the Controller to timely make one

1 PUBLIC MEETING

2 or more of the authorized appointments, the other
3 members of the Board shall make such appointment or
4 appointments."

5 Parenthesis C, Campaign Finance
6 Funds, ii under that, we will add after, "that the
7 amount of money in the Fund, or that has been
8 appropriated from the Fund."

9 We eliminate small letter iii. We
10 eliminate Section 8 altogether.

11 Mandatory Debates, Section 9,
12 "Candidates who are part of the public financing
13 and voluntary expenditure limitation program as
14 delineated in this chapter, shall agree to
15 participate in at least two one-hour debates per
16 covered election." Eliminate the sentence that
17 follows that. Begin with, "The Board may organize
18 or administer such debates in conjunction with local
19 nonpartisan civic groups, such as the League of
20 Women Voters of Philadelphia, as well as electronic
21 media."

22 Section 20-806, Administration.
23 Section 1, "regulations necessary or proper." Add
24 after the word "necessary" "or proper to carry out
25 the policies and purposes of this Chapter."

1 PUBLIC MEETING

2 Section 5, after "penalties for,"
3 eliminate, "negligently failing to comply with the
4 provisions of this Chapter or regulations
5 promulgated thereunder," and add, "such conduct."

6 No. 7, after the word and the
7 sentence, "Such database shall be made accessible to
8 the public in a timely manner consistent with State
9 law."

10 No. 8, "The Board shall establish a
11 financial disclosure reporting schedule that will
12 facilitate the policies and provisions of this
13 chapter," eliminate the rest of that section and
14 begin in the next, "In conjunction with such
15 reporting requirements, the Board may develop and
16 disseminate computer software to candidates and
17 other interested parties to more effectively
18 implement recordkeeping, monitoring, and disclosure
19 requirements."

20 Section 9, small letter B,
21 parenthesis, add the word after, "to this Chapter
22 and the aggregate," and after "received," add, "and
23 aggregate expenditures."

24 Section F. A new Section 10, "The
25 Board shall conduct such investigations and hearings

1 PUBLIC MEETING

2 as it deems appropriate relating to compliance by

3 any individual candidate or entity or any class of

4 individual candidates or entities with the

5 provisions of this section or regulations

6 promulgated thereunder. Attendance of witnesses and

7 production of documents may be compelled in

8 connection with any such investigation in accordance

9 with the provisions of Section 8-409 of the Home

10 Rule Charter."

11 Section 20-807, Penalties. Add after

12 "90 days," period, "Every contribution made or

13 received and every expenditure made in excess of the

14 maximum amounts authorized in this Chapter shall

15 constitute a separate violation."

16 In Chapter 20-600, Standards of

17 Conduct and Ethics, in the part of Section 20-601,

18 Definitions, Section 9, Parenthesis 12, Immediate

19 Family. "A spouse," the next words after that are

20 eliminated, and it begins, "A spouse residing in the

21 individual's household and minor dependent children.

22 For purposes of Section 20-604(3), immediate family

23 shall also include a registered life partner as

24 defined in Section 9-1106."

25 20-604, Gifts, Loans and Favors to

1 PUBLIC MEETING

2 City Personnel. Section 3(a), "No elected official
3 or candidate for City office shall accept any
4 contributions," adding, "in excess of \$1,000 or more
5 from any person or business that is an applicant
6 for, or a recipient of, a contract with the city or
7 a city-related agency in an amount in excess of
8 \$10,000 or from any applicant for, or recipient of,
9 financial assistance in an amount in excess of
10 \$50,000."

11 Parenthesis B, after, "excess,"
12 eliminate "200" and add, "\$1,000 during said term of
13 office." And eliminate Section 4 in that section.

14 Composition for Members of Boards,
15 Commissions, Committees and Councils, and Section
16 5 -- this terminates all of the amendments,
17 Mr. Chairman.

18 COUNCILMAN COHEN: Councilman Ortiz,
19 I understand these amendments resulted from
20 testimony given at the hearing, plus consultation
21 with Council members following the hearing?

22 COUNCILMAN ORTIZ: Yes, indeed, sir.

23 COUNCILMAN COHEN: Is there any way
24 you can describe simply the thrust of these
25 amendments?

1 PUBLIC MEETING

2 COUNCILMAN ORTIZ: The thrust of the
3 amendments were to, in essence, raise the amount of
4 monies that were going to be spent, raise the
5 contribution limits, change some eligibility
6 guidelines, change effect on match of independent
7 expenditures.

8 We eliminated the Register of Will
9 because it has a State office. We liberalized
10 certain geographic restrictions and fundraising for
11 District Council members, made financial reporting
12 schedules consistent with State law, and enabled
13 third parties to be appointed to independent
14 campaign Boards, mandated \$1 million, as in LA and
15 in New York City, the amount of funding is mandated
16 within the law.

17 We made it very similar to the New
18 York City and LA financing contribution laws that
19 they have, and the later provision for contribution
20 by city utility ratepayers that gave forth the
21 auditing and subpoena powers.

22 COUNCILMAN COHEN: All right. Are
23 you going to make a motion?

24 COUNCILMAN ORTIZ: I make a motion
25 for the adoption of the amendment.

1 PUBLIC MEETING

2 COUNCILMAN COHEN: Is there a
3 second?

4 (Duly seconded.)

5 COUNCILMAN COHEN: The motion having
6 been made and seconded, is there any discussion on
7 the amendments?

8 COUNCILMAN ORTIZ: I move the
9 question.

10 COUNCILMAN COHEN: Then we move the
11 question.

12 All those in favor of the amendments
13 please say aye.

14 Those opposed say nay.

15 COUNCILMAN COHEN: It seems to me the
16 ayes have it. But in view of the division, let me
17 call the roll.

18 COUNCILMAN MARIANO: It's three-two,
19 Councilman. It fails. Goode, me, and Rizzo are
20 nay. You and Ortiz --

21 COUNCILMAN COHEN: Councilman Goode.

22 COUNCILMAN GOODE: Nay.

23 COUNCILMAN COHEN: Councilman Ortiz.

24 COUNCILMAN ORTIZ: Aye.

25 COUNCILMAN COHEN: Councilman Cohen

1 PUBLIC MEETING

2 votes aye.

3 Councilman Nutter.

4 COUNCILMAN NUTTER: Aye.

5 COUNCILMAN RIZZO: No.

6 COUNCILMAN COHEN: Councilman Rizzo,

7 no.

8 COUNCILMAN MARIANO: Mariano, no.

9 COUNCILMAN COHEN: It is a

10 three-to-three vote. The amendment fails. All

11 right?

12 Is there any further business to come

13 before the committee today?

14 Hearing none, the Law and Government

15 Committee is recessed indefinitely to the call of

16 the Chair.

17 Next meeting will be the meeting of

18 the Committee on Finance.

19 (Public Meeting adjourned at 11:50

20 a.m.)

21 - - -

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C E R T I F I C A T I O N

I HEREBY CERTIFY that the foregoing
proceedings of the Council of the City of
Philadelphia of Thursday, June 15, 2000, were
reported fully and accurately by me, and that this
is a correct transcript of same.

RE: COMMITTEE ON LAW AND GOVERNMENT

DEBRA A. WHITEHEAD, RPR