



Administrative Report

Council Action Date: August 9, 2016

To: MAYOR AND CITY COUNCIL

From: ELEANOR MANZANO, CITY CLERK

**Subject: DISCUSSION AND DIRECTION TO STAFF REGARDING WHEN TO
MANDATE ELECTRONIC AND PAPERLESS FILING OF FAIR POLITICAL
PRACTICES COMMISSION (FPPC) CAMPAIGN DISCLOSURE STATEMENTS**

RECOMMENDATION

- 1) Discussion of sample ordinances and provide start date to mandate electronic and paperless filing FPPC Campaign Disclosure Statements
 - a. Option A mandatory start date of January 1, 2017, or;
 - b. Option B to opt-in and start the mandate January 1, 2018, or,
 - c. Direct staff on any other alternatives.

EXECUTIVE SUMMARY

Option A – Mandate January 1, 2017 as the start date. Once the ordinance has met the 30 day adoption requirement, training would begin. It would give City Staff and filers approximately two months as an opportunity to receive training and a level of comfort of the e-file system to prepare for the next filing of January 31, 2017, and allow establish potential filers for the upcoming March 7, 2017 Election with the first pre-filing in the middle of January 2017.

Option B – Opt-In with a start date of January 1, 2018. Once the ordinance has met the 30 day after adoption requirement, training would begin. However candidates or committees would “opt-in” to using the system. This opt-in approach would provide potential filers more time (14 months) to receive training, establish a level of comfort and familiarity in using the system, and (when ready) to file electronically. Once a committee has successfully completed an online filing, the ordinance would then require the committee to continue to file online in the future.

BACKGROUND

At the June 7th City Council meeting, the City Council received and filed the City Clerk's Assessment report which included a recommendation to increase transparency by posting FPPC filings online. However, due to the complex nature of these documents, including desired redactions to protect public privacy, software that specializes in this is recommend by using an outside vendor instead of staff to complete this work.

On June 28, the approved City Budget included Decision Package #2 related to the March 7, 2017 Election and incorporated a line item of \$10,000 in funding for e-filing Campaign and Conflict of Interest Statements software to provide filing to be available to the public on the City's website.

Pursuant to Government Code Section 84615 (Attachment A). "A local government agency may require an elected officer, candidate, committee....to file (campaign) statements, reports, or other documents online or electronically with a local filing officer." In order for Redondo Beach to accept electronically filed statements, the City Council must first pass an ordinance permitting the use of an online filing system as an option for filing, and designating the filings received electronically by the City Clerk's Office as the filings of record for the City.

Several other cities currently utilize NetFile and have taken similar actions by adopting ordinances to allow for paperless electronic filings. These cities include Covina, Huntington Beach, Santa Monica, Irvine, Ventura, and Anaheim (Attachment B provides a sample ordinance from the City of Anaheim). Of the cities that have authorized online filing, some have chosen to issue a mandate that all committees that raise or expend \$1,000 or more must file electronically.

On September 6, the City Clerk's Office will bring back a contract for NetFile, a request to submit the application to Obtain Certification of Electronic Filing System for Processing a Statement of Economic Interests, Form 700 to the FPPC, and the first reading to introduce the ordinance for paperless and e-filing campaign disclosure statements.

Submitted by:

Eleanor Manzano, City Clerk

Attachment:

- Attachment A - Government Code Section 84615
- Attachment B – Sample ordinances from the City of Anaheim and Palos Alto