

ORDINANCE NO. 8,004-N.S.

AMENDING BERKELEY MUNICIPAL CODE CHAPTER 2.12; BERKELEY ELECTION REFORM ACT

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. That Berkeley Municipal Code Section 2.12.250.A is amended to read as follows:

A. A campaign treasurer for each candidate and for each and every committee shall establish and manage a campaign expenditure and contribution checking account for the candidate or committee. All monetary contributions to the candidate, to a person on behalf of the candidate or to a person on behalf of a committee shall be placed in the candidate's or committee's checking account promptly. All campaign expenditures shall be made from the campaign account. Any personal funds of a candidate which will be utilized to promote the election of the candidate shall be deposited in the account prior to expenditure, except for a candidate's payment for a filing fee and statement of qualifications which may be made from the candidate's personal funds.

Section 2. That Berkeley Municipal Code Section 2.12.505 is amended to read as follows:

2.12.505 Fair Elections fund payments.

A. A candidate who is certified as an eligible participating candidate shall receive payment of Fair Elections funds equal to six-hundred percent (600 percent) of the amount of qualified contributions received by the candidate during the election cycle with respect to a single election subject to the aggregate limit on the total amount of Fair Elections funds payments to a candidate specified in Section [2.12.505.B](#).

B. The aggregate amount of Fair Elections funds payments that may be made to a participating candidate during an election cycle may not exceed:

- 1) \$129,000* for a candidate running for the office of Mayor;
- 2) \$43,000* for a candidate running for the office of City Council;
- 3) \$20,000* for a candidate running for the office of Auditor;

4) \$20,000* for a candidate running for the office of Board of Education;

5) \$8,000* for a candidate running for the office of Rent Stabilization Board.

C. A participating candidate's application for Fair Elections funds, including an initial request submitted with an application for certification as a participating candidate, shall be made using a form prescribed by the Commission and shall be accompanied by qualified contribution receipts and any other information the Commission deems necessary. This application shall be accompanied by a signed statement from the candidate indicating that all information on the qualified contribution receipts is complete and accurate to the best of the candidate's knowledge.

1) All Qualified Contributions, of any dollar amount, eligible for matching Fair Elections funds must be publicly disclosed with the contributor information required under Sections [2.12.280](#) and [2.12.283](#).

2) All campaign filings must be current in order for a Participating Candidate to receive a disbursement of Fair Elections funds and the Participating Candidate and a Participating Candidate's controlled committee must not have any outstanding fines related to campaign filings or violations of municipal, state or federal election law. All applications for Fair Elections funds shall include a certification by the Participating Candidate that the Participating Candidate or his or her controlled committee does not have any outstanding fines or penalties related to campaign filings. Upon submission of outstanding campaign filings and payment of any outstanding fines, withheld Fair Elections funds will be disbursed at the next regularly scheduled distribution for that election cycle.

D. The City shall verify that a candidate's qualified contributions meet all of the requirements and restrictions of this Act prior to the disbursement of Fair Elections funds to the candidate. A participating candidate who receives a qualified contribution that is not from the person listed on the qualified contribution receipt shall be liable to pay the Fair Elections Fund the entire amount of the inaccurately identified contribution, in addition to any penalties.

E. The City shall make an initial payment of Fair Elections funds within seven business days of the City's certification of a participating candidate's eligibility, or as soon thereafter as is practicable. City staff shall report a certification or denial to the Commission no later than the Commission's next regular meeting, consistent with the Brown Act.

F. The Commission shall establish a schedule for the submission of Fair Elections funds

payment requests, permitting a candidate to submit a Fair Elections funds payment request at least once per month. However, the Commission shall schedule a minimum of three payment request submission dates within the thirty days prior to an election.

G. The City shall provide each participating candidate with a written determination specifying the basis for any non-payment of Fair Elections funds. The Commission shall provide participating candidates with a process by which they may immediately upon receipt of such determination petition the Commission for reconsideration of any such non-payment and such reconsideration shall occur within seven business days of the filing of such petition. In the event that the Commission denies such petition then it shall immediately notify the candidate of his or her right to seek judicial review of the Commission's denial pursuant to Section [2.12.235](#).

H.

1. Unspent campaign funds of any Participating Candidate who does not qualify as a candidate for the ballot at the election for which the funds were distributed, up to the total amount of funds that the participating candidate received as Fair Election Funds distributions in that election cycle and after accounting for campaign debts and expenditures, must be returned to the City no later than the date of the election for which the funds were distributed. All funds returned under this paragraph must be accompanied by any required supporting documentation. In such cases, the participating candidate must return the unspent funds to the City, up to the total amount of funds that the participating candidate received as Fair Election Funds distributions, prior to refunding any contributions to individual contributors.

2. Any campaign funds that remain unspent by a Participating Candidate following the date of the election for which they were distributed, up to the total amount of funds that the Participating Candidate received as Fair Elections Funds distributions in that elections cycle and after accounting for campaign debts and expenditures, must be returned to the City, no later than the close of the semi-annual reporting period immediately following the date of the election. All funds returned under this paragraph must be accompanied by any required supporting documentation.

3. All unspent campaign funds returned to the City shall be deposited in the Fair Elections Fund pursuant to the City Charter.

4. Following the deadline for filing the semi-annual campaign statement occurring

immediately after the election, ~~t~~he City Clerk shall refer to the Commission for enforcement any participating candidate who has not returned unspent funds as required by this subsection.

5. After the deadline to return unspent funds in [2.12.505.H.2](#), a participating candidate may continue to raise funds in accordance with Article 8 of Chapter [2.12](#) to pay campaign-related debt from the most recent election. Any such contributions received shall not be eligible for matching funds.

I. Any request by a Participating Candidate for a refund of any amount of unspent campaign funds previously repaid to the City, for a qualified campaign expenditure or other permissible campaign purpose, shall be submitted to the Commission to approve, in whole or in part, or deny. The Commission shall make a final determination on the refund within 45 days of receipt.

J. Requests for matching funds may be submitted no later than 30 days after Election Day for the election at which the participating candidate qualified as a candidate.

K. Upon approval of a participating candidate's Initial Qualifying Request, the candidate is prohibited from withdrawing from the Public Financing Program and receiving contributions pursuant to Section [2.12.415](#) for the same office at the same election for which they are a participating candidate.

Section 3. That Berkeley Municipal Code Section 2.12.530 is amended to read as follows:

2.12.530 Use of Fair Elections funds.

A. A participating candidate shall use Fair Elections funds and contributions only for direct campaign purposes to further the candidate's own campaign for the relevant office and election cycle.

B. A participating candidate shall not use Fair Elections funds or contributions for:

1) Costs of legal defense in any campaign law enforcement proceeding under this Act, or penalties arising from violations of any local, state, or federal campaign laws;

2) The candidate's personal support or compensation to the candidate the candidate's family, or a business in which the candidate or candidate's immediate family member has a ten (10) percent or greater ownership interest;

3) Indirect campaign purposes, including but not limited to:

a) Any expense that provides a direct personal benefit to the candidate, including clothing and other items related to the candidate's personal appearance;

b) Capital assets having a value in excess of five hundred dollars (\$500)* and useful life extending beyond the end of the current election period determined in accordance with generally accepted accounting principles;

c) A contribution or loan to the campaign committee of another candidate or to a party committee or other political committee;

d) An independent expenditure as defined in Berkeley Municipal Code Section 2.12.142 as may be amended;

e) Any payment or transfer for which compensating value is not received

C. Notwithstanding any provision of this Chapter, a candidate may use campaign materials, including campaign signs, mailers, posters, door hangers and similar items, purchased by a committee for the same candidate during a previous election so long as the campaign materials were purchased with the intention of being used in the previous campaign, in the following circumstances:

a. A candidate may use campaign materials paid for with Fair Elections funds in a previous election provided that the candidate submits payment to the City in an amount equivalent to the fair market value of such items for deposit in the Fund.

b. A participating candidate may use campaign materials purchased by a committee for the same candidate in a previous election provided that the candidate submits payment to the City in an amount equivalent to the fair market value of such items for deposit in the Fund.

D. For the purposes of subsection C of this section, the fair market value shall be the purchase price of the campaign materials at the time they were initially purchased for the previous campaign minus any cost to affix updated disclaimer language to the campaign

materials. All campaign materials must comply with Section 2.12.335 and any other applicable disclaimer requirements.

E. The term "Contribution" is defined in 2.12.100 and includes "Qualified Contributions" as defined in 2.12.167 and contributions from non-residents of Berkeley as described in 2.12.500.A.7.

F. The dollar amounts in Section 2.12.530.B.3.b may be adjusted for cost-of-living changes by the Commission through regulation, pursuant to Section 2.12.545.

Section 4. That Berkeley Municipal Code Section 2.12.545 is amended to read as follows:

2.12.545 Cost of living adjustments.

A. The Commission shall adjust the dollar amounts specified in Sections [2.12.167](#), [2.12.271](#), [2.12.335](#), [2.12.500.A.3](#), [2.12.500.A.6](#), [2.12.500.A.7](#), [2.12.500.A.8](#), [2.12.505.B](#) and [2.12.530.B.3.b](#) for cost of living changes pursuant to Section [2.12.075](#) in January of every odd-numbered year following Council implementation. All such adjustments shall be rounded to the nearest ten dollars (\$10), except for adjustments to the amount specified in Section 2.12.505.B, which shall be rounded to the nearest one thousand dollars (\$1,000).

B. As soon as practicable after adoption of the amendments providing for the adjustment of Sections [2.12.271](#) and [2.12.335](#), but no later than December 31, 2024, the Commission shall perform an initial adjustment of the dollar amounts in those sections.

Section 5. Copies of this Ordinance shall be posted for two days prior to adoption in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. Within 15 days of adoption, copies of this Ordinance shall be filed at each branch of the Berkeley Public Library and the title shall be published in a newspaper of general circulation.

At a regular meeting of the Council of the City of Berkeley held on March 10, 2026, this Ordinance was passed to print and ordered published by posting by the following vote:

Ayes: Bartlett, Blackaby, Humbert, Kesarwani, Lunaparra, O'Keefe, Taplin, Tregub, and Ishii.

Noes: None.

Absent: None.

