

ORDINANCE NO. 1466

**AN ORDINANCE OF THE NAPA COUNTY BOARD OF SUPERVISORS,
STATE OF CALIFORNIA, ADDING CHAPTER 2.104 TO THE NAPA
COUNTY CODE RELATING TO CAMPAIGN FINANCE**

WHEREAS, Government Code § 85301 sets default limits for contributions to local campaigns for elective office; and

WHEREAS, Government Code § 85702.5 grants local jurisdictions the authority to adopt their own contribution limits different from those imposed by state law; and

WHEREAS, Government Code § 85307(b) limits the outstanding balance of personal loans from a candidate to their own campaign to \$100,000, unless the local jurisdiction has adopted its own campaign contribution limits; and

WHEREAS, state law allows candidates to continue fundraising after an election in order to retire campaign debt, including personal loans the candidate has provided to their own campaign; and

WHEREAS, this ability of successful candidates to recoup personal loans to their own campaigns after winning an election poses an inherent risk that voters will not learn the identities of a candidate's campaign contributors through campaign disclosure documents until after the election, when voters will no longer be able to take this information into account when deciding for whom to vote; and

WHEREAS, the Board of Supervisors desires to limit the outstanding balance of personal loans a candidate can provide to their own campaigns in order to promote election transparency and reduce the appearance of influence by special interests on candidates.

NOW, THEREFORE, the Board of Supervisors of Napa County, State of California, ordains as follows:

SECTION 1. Chapter 2.104 (Campaign Finance) is hereby added to the Napa County

Code to read in full as follows:

2.104.010 Purpose and intent.

State law currently allows candidates for public office to provide loans to their own campaigns using their personal funds and repay those loans with funds raised from other sources after the election has been decided. This ability of successful candidates to recoup personal loans to their own campaigns after winning an election poses an inherent risk that voters will not learn the identities of a candidate's campaign contributors through campaign disclosure documents until after the election, when voters will no longer be able to take this information into account when deciding for whom to vote. The purpose and intent of this chapter is to limit

the influence that post-election campaign contributors can have on candidates by limiting the outstanding balance that candidates can have on loans they have provided to their own campaigns using their personal funds, as well as to codify state law limits on all campaign contributions.

2.104.020 Relationship to the Political Reform Act.

This chapter is intended to supplement the Political Reform Act, codified at Cal. Gov. Code § 81000, *et seq.*, and the regulations of the Fair Political Practices Commission (FPPC), set forth in Title 2, Division 6 of the California Code of Regulations, as amended. Unless otherwise provided for in this chapter, all words and terms shall have the same meaning as when they are used in the Political Reform Act and FPPC regulations. Unless otherwise expressly provided for in this chapter, the provisions of the Political Reform Act and FPPC regulations are applicable to all election campaigns for any Napa County elective office and may be enforced as provided for in those respective laws and regulations.

2.104.030 Definitions.

For purposes of this chapter, the following definitions shall apply:

- A. “County candidate” or “candidate” means any individual who is a candidate for Supervisor, Sheriff-Coroner, District Attorney, Auditor-Controller, Treasurer-Tax Collector, County Superintendent of Schools, or Assessor-Recorder-County Clerk.
- B. “County elective office” means the office of Supervisor, Sheriff-Coroner, District Attorney, Auditor-Controller, Treasurer-Tax Collector, County Superintendent of Schools, or Assessor-Recorder-County Clerk.
- C. “Countywide office” means the office of Sheriff-Coroner, District Attorney, Auditor-Controller, Treasurer-Tax Collector, County Superintendent of Schools, or Assessor-Recorder-County Clerk.
- D. “District office” means the office of Supervisor.

2.104.040 Contribution limit.

A person may not make to a candidate or the candidate’s controlled committee, and a candidate or the candidate’s controlled committee may not accept from a person, any contribution or series of contributions totaling more than the per election amount permitted in Cal. Gov. Code § 85301(a), as adjusted by the Fair Political Practices Commission pursuant to Title 2 of the California Code of Regulations § 18544.

2.104.050 Loan limit—Increases.

- A. No candidate for any Countywide office shall personally make loans to their own campaign which have a total outstanding balance at any point in time of more than \$20,000.00.
- B. No candidate for any District office shall personally make loans to their own campaign which have a total outstanding balance at any point in time of more than \$10,000.00.
- C. Beginning in 2022, the limits provided for in paragraphs A and B of this section may be adjusted biennially in December of every even-numbered year by resolution of the Board of Supervisors to reflect changes in the California Consumer Price Index All Urban Consumers (CPI-U). The adjustments shall be made using the following formula: the loan limit amount in effect as of December 31, 2021, multiplied by the annual CPI-U, divided by the base CPI-U from 2021, rounded to the nearest one hundred dollars (\$100).

2.104.060 Enforcement—Notice of violation—Hearing.

A. Notwithstanding any other provision of the Napa County Code, any violation of section 2.104.040 of this chapter may be enforced in any manner allowed by the Political Reform Act or FPPC regulations.

B. Notwithstanding any other provision of the Napa County Code, any person who knowingly violates section 2.104.050 of this chapter shall be subject to an administrative fine for a sum of \$1,000 for each violation, or three times the amount exceeding the limit established by section 2.104.050 as adjusted, whichever is greater.

C. Upon determining that a violation has occurred, the Napa County Elections Division shall issue a Notice of Violation to the person, sent by certified U.S. mail. The Notice of Violation shall, at a minimum, include the following information:

1. The person or person(s) who have violated this chapter;
2. The Napa County Code section that was violated;
3. The dollar amount in excess of this chapter's prescribed limits that constitutes the violation;
4. The amount of the administrative fine;
5. The deadline for complying with the Notice of Violation, which shall be set no sooner than forty-five (45) days after the date of mailing the Notice of Violation. Compliance with the Notice of Violation shall include full payment of the fine issued and filing of the proper campaign disclosures showing that the portion of the loan in excess of the limit prescribed by this has been forgiven; and

5. A description of the process for requesting a hearing as provided for in this chapter.

D. Any person subject to a Notice of Violation issued pursuant to this section shall have the right to request an administrative hearing following the same procedures for an administrative hearing relating to a citation, as set forth in chapter 1.28 of the Napa County Code.

2.104.070 Grace period for loans made prior to chapter's effective date.

The enforcement procedures set forth in section 2.104.060 shall not be commenced, and a Notice of Violation shall not be issued, against any candidate whose loan balance exceeds the limit set forth in section 2.104.050 due to personal loans provided prior to this chapter's effective date if the candidate repays and/or forgives the portion of the loans that would constitute a violation prior to November 30, 2021.

SECTION 2. If any section, subsection, sentence, clause, phrase or word of this ordinance is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The Napa County Board of Supervisors hereby declares it would have passed and adopted this ordinance and each and all provisions hereof irrespective of the fact that any one or more of said provisions be declared invalid.

SECTION 3. This ordinance shall be effective thirty (30) days from and after the date of its passage.

SECTION 4. A summary of this ordinance shall be published at least once five (5) days before adoption and at least once before the expiration of fifteen (15) days after its passage in the Napa Valley Register, a newspaper of general circulation published in Napa County, together with the names of members voting for and against the same.

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The foregoing ordinance was introduced and read at a regular meeting of the Napa County Board of Supervisors, State of California, held on the 16th day of March, 2021, and passed at a regular meeting of the Napa County Board of Supervisors, State of California, held on the 23rd day of March, 2021, by the following vote:

AYES:	SUPERVISORS	WAGENKNECHT, DILLON, GREGORY, RAMOS and PEDROZA
NOES:	SUPERVISORS	NONE
ABSTAIN:	SUPERVISORS	NONE
ABSENT:	SUPERVISORS	NONE

NAPA COUNTY, a political subdivision of
the State of California

By: 
ALFREDO PEDROZA, Chair of the
Board of Supervisors

<p>APPROVED AS TO FORM Office of County Counsel</p> <p>By: <u>John L. Myers (e-sign)</u> Deputy County Counsel</p> <p>By: <u>Meredith Trueblood (e-sign)</u> County Code Services</p> <p>Date: <u>March 4, 2021</u></p>	<p>APPROVED BY THE NAPA COUNTY BOARD OF SUPERVISORS</p> <p>Date: March 23, 2021 Processed By:  Deputy Clerk of the Board</p>	<p>ATTEST: JOSE LUIS VALDEZ Clerk of the Board of Supervisors</p> <p>By: </p>
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I HEREBY CERTIFY THAT THE ORDINANCE ABOVE WAS POSTED IN THE OFFICE OF THE CLERK OF THE BOARD IN THE ADMINISTRATIVE BUILDING, 1195 THIRD STREET ROOM 310, NAPA, CALIFORNIA ON _____.

_____, DEPUTY
JOSE LUIS VALDEZ, CLERK OF THE BOARD