



# City of San Leandro

Meeting Date: April 5, 2021

## Staff Report

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**File Number:** 21-210 **Agenda Section:** CONSENT CALENDAR

**Agenda Number:** 8.H.

**TO:** City Council

**FROM:** Fran Robustelli  
Interim City Manager

**BY:**

**FINANCE REVIEW:** Not Applicable

**TITLE:** Staff Report for an Ordinance Adding Section 1-2-111 to the San Leandro Municipal Code Relating to Electronic and Paperless Filing of Fair Political Practices Commission Campaign Disclosure Statements

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### SUMMARY AND RECOMMENDATION

The City Clerk recommends that the City Council pass for first reading an ordinance adding Section 1-2-111 to the San Leandro Municipal Code relating to electronic and paperless filing of California Fair Political Practices Commission (FPPC) campaign disclosure statements filed by elected officers, candidates or committees, and making a finding that the system will operate securely and effectively and will not unduly burden filers.

### BACKGROUND

The following are requirements of any on-line filing system:

- a) Any elected officer, candidate, committee or other person required to file specified statements, reports, or other documents with the City Clerk as required by Chapter 4 of the Political Reform Act (California Government Code Section 84100 et seq.) and that has received contributions or made expenditures of \$2,000 or more, may electronically file such statements using the City Clerk's online system according to procedures established by the City Clerk.

The procedures must ensure that the online system complies with the requirements set forth in Section 84615 of the Government Code. Elected officers, candidates and committees required to file statements, may file such statements using the City Clerk's online system, unless exempt from the requirement to file pursuant to Government Code Section 84615 because the elected officer, candidate or committee received contributions totaling less than \$2,000 and makes expenditures totaling less than \$2,000 in a calendar year.

- b) The online filing system must ensure the integrity of the data transmitted and must include

safeguards against efforts to tamper with, manipulate, alter, or subvert the data.

- c) The online filing system can only accept a filing in the standardized record format that is developed by the California Secretary of State pursuant to Section 84602(a)(2) of the California Government Code and that is compatible with the Secretary of State's system for receiving an online or electronic filing.
- d) When the ordinance is effective an elected officer, candidate, or committee may choose to opt-in to the electronic filing system by electronically filing California Fair Political Practices Commission (FPPC) campaign forms required to be filed with the City Clerk pursuant to Chapter 4 of the Political Reform Act. Once the elected officer, candidate or committee has opted-in, all subsequent statements must be filed electronically to ensure reporting continuity. An elected officer, candidate, or committee may opt-out of the electronic filing system by filing original statements in paper format with the City Clerk. Thereafter the elected officer, candidate or committee must file all original statements in paper format with the City Clerk.
- e) Any elected officer, candidate, committee or other person who has electronically filed a statement, report, or other document using the City Clerk's online system is not required to file a copy of that statement in paper format with the City Clerk.
- f) In any instance in which an original statement, report, or other document must be filed with the Secretary of State and a copy of that statement, report, or other document is required to be filed with the City Clerk, the filer may, but is not required to, file the copy electronically.
- g) If the City Clerk's system is not capable of accepting a statement, an elected officer, candidate, committee or other person must file that statement in paper format with the City Clerk.
- h) The City Clerk's office will maintain, for a period of at least 10 years commencing from the date filed, a secured, official version of each online or electronic statement, which shall serve as the official version of that record for audits.

The proposed ordinance will allow for electronic and paperless filing of California Fair Political Practices Commission (FPPC) campaign disclosure statements. It is recommended that filers participate through an "opt-in" approach that will give filers a choice of filing electronically or to continue with paper filing. Filers opting to file electronically will not need to turn in a wet signed paper copy.

The Political Reform Act of 1974 requires specified candidates, committees, slate mailer organizations, and lobbyists to file campaign statements and reports online or electronically with the Secretary of State. The Act also requires certain entities to file campaign statements and reports with local filing officers as specified.

On January 1, 2013, Assembly Bill 2452 went into effect -- adding Section 84615 to the California Government Code Title 9. Political Reform, Chapter 4.6 Online Disclosure Act of 1997 -- which allows local government agencies to require an elected officer, candidate, or committee to file

statements, reports, or other documents online or electronically with its local filing officer, if the filer receives contributions and makes expenditures totaling \$2,000 or more in a calendar year (Attachment III).

In 2019 the City of San Leandro entered into an agreement with SouthTech, Granicus, an electronic and paperless filing system for FPPC Statements of Economic Interests (Form 700) and Campaign Forms.

## **ANALYSIS**

Government Code Section 84615 requires local jurisdictions that accept electronic campaign form filings to enact an ordinance, with required findings, approving the use of an electronic system, which includes that the system will operate securely and effectively and will not unduly burden filers. The proposed ordinance will also designate the filings received electronically by the City Clerk's Office as the filings of record for the City.

The SouthTech, Granicus system is a web-based vendor hosted application that utilizes "industry best practices" for securing data, and stores and backs up data creating the essential safety measures and redundancy that will allow for recovery of information in the event of an emergency or disaster. The data will be retained for the required minimum ten-year period. The system will be free of charge to those who are interested in using it. For filers who may not have access to computers, the computer at the counter in the City Clerk's Office can be used (on an appointment basis) for online campaign forms filing.

Additionally, the proposed ordinance will only apply to those filers who exceed a threshold of \$2,000 for expending or receiving campaign funds. The threshold is consistent with Government Code Section 84615. Government Code Section 84615 requires the online or electronic filing systems to only accept a filing in the standardized record format that is developed by the Secretary of State and is compatible with the Secretary of State's system for receiving online or electronic filings. The SouthTech, Granicus system is one of two electronic filing systems in California created for cities and counties responsible for administering campaign form filings and that meets the requirements of the Secretary of State.

Although Government Code 84615 authorizes a local agency to mandate electronic filings, staff recognizes that such a mandate could have a direct effect on those individuals or committees that do not have computer access or familiarity with computer programs. To prevent any hardship, staff recommends the Council approve an "opt-in" approach, which provides the elected officer, candidate, or committee the option to either file electronically or in paper format with the City Clerk. However, once a filer has successfully completed an online filing, the ordinance would then require the individual or committee to continue to file online in the future. This will ensure the continuity and integrity of the data. Any filer who is unable or unwilling to file electronically may continue to file paper forms with the City Clerk's Office.

To ensure a smooth transition, and as part of the contract with SouthTech, Granicus, the City Clerk's Office in partnership with SouthTech, Granicus will provide extensive training to elected officials, candidates, and committees interested in using the system. Once the ordinance is in effect, staff will schedule one-on-one trainings with SouthTech, Granicus staff and filers and

individual treasurers. The training will include the entire filing process from setting-up filer accounts, explaining the online filing process, showing how to input data and save reports, preparing statements for e-signature, and filing statements.

Electronic filings will promote transparency and provide timely viewing of campaign forms to members of the public. The SouthTech, Granicus program will also increase the accuracy of filed campaign statements and streamline the work of the City Clerk's office, freeing up time for other projects.

### **FISCAL IMPACT**

A yearly payment will be paid to SouthTech, Granicus to maintain a system that permits the City and users to electronically file FPPC campaign statements for committees that have a responsibility to file with the City. SouthTech, Granicus includes an online filer application administrative portal and public viewing portal. The City already uses SouthTech, Granicus for online filings of Statements of Economic Interests. The proposed electronic filing of FPPC campaign forms is in alignment with providing a 100% paperless filing system.

During the Fiscal Year 2019-2020 budget review for the City Clerk's Office, staff reported its intention to acquire an electronic filing software for administering campaign form disclosure filings. Due to vacancies in the office, the project was delayed and in 2020 funds were carried forward for implementation of the electronic filing system in Fiscal Year 2020-2021. Therefore, since the funds were carried forward to this budget cycle, there is no additional fiscal impact in the implementation of this program.

### **ATTACHMENT**

- Attachment A GOVERNMENT CODE - GOV TITLE 9. POLITICAL REFORM [81000 - 91014]

**PREPARED BY:** Leticia I. Miguel, City Clerk, City Manager's Office



# City of San Leandro

Meeting Date: April 5, 2021

## Ordinance

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**File Number:** 21-202 **Agenda Section:** CONSENT CALENDAR

**Agenda Number:**

**TO:** City Council

**FROM:** Fran Robustelli  
Interim City Manager

**BY:**

**FINANCE REVIEW:** Not Applicable

**TITLE:** An Ordinance Adding Section 1-2-111 to the San Leandro Municipal Code Relating to Electronic and Paperless Filing of Fair Political Practices Commission Campaign Disclosure Statements

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### RECITALS

WHEREAS, California Government Code Section 84615 provides that a legislative body of a local government agency may adopt an ordinance that requires an elected officer, candidate, committee, or other person required to file statements, reports or other documents required by Chapter 4 of the Political Reform Act, except those whose contributions and expenditure each total less than one thousand dollars (\$2,000) in a calendar year, to file such statements, reports, or other documents online or electronically with the City Clerk; and

WHEREAS, the software used by the City Clerk's electronic filing system, SouthTech Systems, Granicus, has been certified by the Secretary of State and meets the requirements set by Government Code Section 84615; and

WHEREAS, the City Clerk will operate the electronic filing system in compliance with the requirements of California Government Code Section 84615 and any other applicable laws; and

WHEREAS, the City Council expressly finds and determines that the system will operate securely and effectively and will not unduly burden filers. Specifically: (1) the system will ensure the integrity of the data and includes safeguards against efforts to tamper with, manipulate, alter, or subvert the data; (2) the system will only accept a filing in the standardized record format developed by the Secretary of State and compatible with the Secretary of State's system for receiving an online or electronic filing; and (3) the system will be available free of charge to filers and to the public for viewing filings.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN LEANDRO DOES ORDAIN

AS FOLLOWS:

SECTION 1. The Recitals above are true, correct, adopted, incorporated herein and made a part hereof.

SECTION 2. PROVISIONS

SEC 1-2-111 - ELECTRONIC FILING OF CAMPAIGN DISCLOSURE

- a) Any elected officer, candidate, committee or other person required to file specified statements, reports, or other documents with the City Clerk as required by Chapter 4 of the Political Reform Act (California Government Code Section 84100 et seq.) and that has received contributions or made expenditures of \$2,000 or more, may electronically file such statements using the City Clerk's online system according to procedures established by the City Clerk. These procedures shall ensure that the online system complies with the requirements set forth in Section 84615 of the Government Code. Elected officers, candidates, and committees required to file statements may file such statements using the City Clerk's online system, unless exempt from the requirement to file pursuant to Government Code Section 84615 because the elected officer, candidate or committee received contributions totaling less than \$2,000 and makes expenditures totaling less than \$2,000 in a calendar year.
- b) The online filing system shall ensure the integrity of the data transmitted and shall include safeguards against efforts to tamper with, manipulate, alter, or subvert the data.
- c) The online filing system shall only accept a filing in the standardized record format that is developed by the California Secretary of State pursuant to Section 84602(a)(2) of the California Government Code and that is compatible with the Secretary of State's system for receiving an online or electronic filing.
- d) During the period commencing with the effective date of this ordinance, an elected officer, candidate, or committee may choose to opt-in to the electronic filing system by electronically filing California Fair Political Practices Commission (FPPC) campaign forms required to be filed with the City Clerk pursuant to Chapter 4 of the Political Reform Act. Once the elected officer, candidate or committee has opted-in, all subsequent statements shall be filed electronically to ensure reporting continuity. An elected officer, candidate, or committee may opt-out of the electronic filing system by filing original statements in paper format with the City Clerk. Thereafter the elected officer, candidate or committee shall file all original statements in paper format with the City Clerk.
- e) Any elected officer, candidate, committee or other person who has electronically filed a statement, report, or other document using the City Clerk's online system is not required to file a copy of that statement in paper format with the City Clerk.

- f) In any instance in which an original statement, report, or other document must be filed with the Secretary of State and a copy of that statement, report, or other document is required to be filed with the City Clerk, the filer may, but is not required to file the copy electronically.
- g) If the City Clerk's system is not capable of accepting a statement, an elected officer, candidate, committee or other person shall file that statement in paper format with the City Clerk.
- h) The City Clerk's office shall maintain, for a period of at least 10 years commencing from the date filed, a secured, official version of each online or electronic statement which shall serve as the official version of that record for purpose of audits

**SECTION 3. SEVERABILITY.** If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this Ordinance, or its application to any other person or circumstance. The City Council of the City of San Leandro hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof is declared invalid or unenforceable.

**SECTION 4. EFFECTIVE DATE AND PUBLICATION.** This ordinance shall take effect thirty (30) days after adoption. The City Clerk is directed to publish the title once and post a complete copy thereof on the City Council Chamber bulletin board for five (5) days prior to adoption.