



CITY COUNCIL STAFF REPORT



May 13, 2025

ITEM TITLE

Campaign Contributions: Consider Revisions to Municipal Code Chapter 2.52 Regarding Various Provisions of the Campaign Contribution Ordinance

Report Number: 25-0100

Location: No specific geographic location

Department: City Clerk & City Attorney

G.C. § 84308 Regulations Apply: No

Environmental Notice: The activity is not a “Project” as defined under Section 15378 of the California Environmental Quality Act State Guidelines. Therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

Recommended Action

Place an ordinance on first reading to make comprehensive updates to the Chula Vista Campaign Contribution Ordinance, Municipal Code Chapter 2.52, including contribution limits, time period for accepting contributions, rules for outstanding debt, complaint processing, and removing duplicative provisions. **(First Reading)**

SUMMARY

Adoption of the ordinance would make comprehensive amendments to the City’s Campaign Contribution Ordinance including changes to contribution limits, the time period for accepting contributions, rules for outstanding debt, complaint processing, and removing duplicative provisions. The proposed ordinance is based on past direction from the City Council, as well as recommendations by the City Attorney and City Clerk.

ENVIRONMENTAL REVIEW

The Director of Development Services has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA Guidelines because it will not result in a physical change in the environment.

Therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is required.

BOARD/COMMISSION/COMMITTEE RECOMMENDATION

The Board of Ethics heard a presentation on the substantial elements of the proposed ordinance on 4/16/2025.

DISCUSSION

Background

In accordance with City Charter section 905, it is the City's policy to avoid the potential for undue or improper influence over Elected Officials resulting from excessive campaign contributions. In furtherance of that purpose, the City Council is required to adopt reasonable regulations related to campaign contributions to be contained in the Municipal Code.

The City's campaign contribution ordinance aims to prevent corruption, ensure transparency, promote fairness, encourage accountability, foster public trust, and promote ethical behavior in the political process. In 1989, the City adopted Chula Vista Municipal Code Chapter 2.52 "Campaign Contributions," in compliance with the City's Charter requirements (Campaign Contribution Ordinance).

In 2011, based on the City Council's direction, City staff conducted a comprehensive review of the Campaign Contribution Ordinance and amended certain provisions to address the City Council's concerns regarding the amount of City resources used to investigate complaints filed under the Campaign Contribution Ordinance, potential abuse of the Campaign Contribution Ordinance, and potential duplication of efforts by the City and other agencies. The City updated the Campaign Contribution Ordinance through a series of additional amendments to its current form.

On February 21, 2023, the City Attorney gave a presentation on potential revisions to the Campaign Contribution Ordinance and the Council formed an ad-hoc subcommittee of the City Council consisting of Mayor McCann and former Councilmember Gonzalez to finalize an updated Campaign Contribution Ordinance for future City Council consideration.

On October 24, 2023, Mayor McCann and former Councilmember Gonzalez gave an update from the subcommittee on campaign contributions. The City Council then directed the City Clerk and the City Attorney to return to a future City Council meeting with an item recommending updates to the Campaign Contribution Ordinance. The subcommittee's recommendations were as follows:

1. Set the personal and corporate contribution limit at one-half of the state limit for members of the State Senate (\$2,950 for 2025-2026)
2. Increase the amount a candidate may loan to their own campaign committee to \$25,000
3. Remove the requirement to notify opponents of loan contributions, as this is duplicative of existing reporting requirements
4. No recommended changes to the prohibition on contributions from political action committees

The Chula Vista Municipal Code Section 2.52.040 (D) requires the City Clerk to adjust the campaign contribution limits every odd-numbered year to reflect any changes in the Consumer Price Index for the San Diego area for the two-year period ending on December 31st of the previous year, and requires these

adjustments to be rounded to the nearest \$10. Adoption of contribution limits that meet or exceed the percentage of change in the Consumer Price Index rounding to the nearest \$10 for individuals (\$440) and political party committees (\$1,530) shall satisfy those certain obligations of the City Clerk outlined in Chula Vista Municipal Code Section 2.52.040 (D) that require City Clerk shall adjust the contribution limits to reflect any changes in the Consumer Price Index for the San Diego area for the two-year period ending on December 31st of the previous year.

The Chula Vista Municipal Code Chapter 2.52 has not undergone comprehensive updates since 2011. Due to the requirement to amend the contribution limit, the City chose to use this opportunity to review what other changes should be included. The City Attorney conducted a comprehensive review of the Campaign Contribution Ordinance and recommended certain revisions to prevent corruption, ensure transparency, promote fairness, encourage accountability, foster public trust, and promote ethical behavior in the political process. The City Clerk's review and recommended revisions focus on administrative and technical aspects, including clarifications to reduce confusion, reformatting and reorganizing for clarity, and incorporating recommendations from the subcommittee for the full City Council's consideration. The draft amended Campaign Contribution Ordinance is included as Attachment 1 for the City Council's consideration.

Proposed Revisions

Based on past direction from the City Council and City Council subcommittee, as well as a comprehensive review by the City Attorney and City Clerk, the following revisions, among others, to the campaign contribution ordinance are presented for the City Council's consideration.

1. Increase the limitation on the dollar amount of campaign contributions by persons to a candidate in CVMC 2.52.040.A. to \$800, based on the City Attorney's recommendation due to the limit being consistent with the City of San Diego and other cities in the region.
2. Increase the limitation on the dollar amount of campaign contributions by political party committees to a candidate in CVMC 2.52.040.B. to \$1,530, based on the increase in the consumer price index.
3. Modify the starting date for a candidate's acceptance of contribution in order to remove ambiguity.
4. Increase the amount a candidate can personally loan their campaign for a single election contest to \$25,000, based on the subcommittee's recommendation.
5. Add a timeframe for the repayment of loans to remove ambiguity. The proposed timeframe is consistent with state law.
6. Remove the existing requirement in CVMC 2.52.060 to provide notice when a candidate contributes personal funds to their campaign exceeding \$5,000 due to ambiguity and duplication with state law.
7. Clarify enforcement processing and enforcement obligations, and add guidelines for the completion of complaint investigations currently contained in CVMC 2.52.140.
8. Remove listed duties of the City Clerk contained in CVMC 2.52.130, as the provisions are duplicative or reduced from those that are required by state law.
9. Remove the requirement that the campaign contribution account be at a financial institution located in San Diego County, as state law requires the account to be in the State of California and this is a regular point of confusion among candidates and treasurers, requiring cumbersome processes to reestablish bank accounts.
10. Additional revisions to add defined terms, remove ambiguity, and remove provisions that are duplicative of state law.

DECISION-MAKER CONFLICT

Staff has reviewed the decision contemplated by this action and has determined that it is not site-specific and consequently, the real property holdings of the City Councilmembers do not create a disqualifying real property-related financial conflict of interest under the Political Reform Act (Cal. Gov't Code § 87100, et seq.).

Staff is not independently aware, and has not been informed by any City Councilmember, of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

CURRENT-YEAR FISCAL IMPACT

There is no current-year fiscal impact.

ONGOING FISCAL IMPACT

There is no ongoing fiscal impact.

ATTACHMENTS

1. Proposed changes to CVMC 2.52 in redline format
2. Ordinance Amending CVMC 2.52

Staff Contact: Marco Verdugo, City Attorney and Kerry Bigelow, City Clerk