

**Philadelphia Board of Ethics**  
**Meeting Minutes**  
*February 20, 2007*  
Philadelphia Bar Association  
ARAMARK Building, 11<sup>th</sup> Floor  
1101 Market Street, Philadelphia PA  
1:00 pm

**Present:**

Board

Pauline Abernathy  
Richard Glazer, Esq., Chair  
Stella M. Tsai, Esq.

Staff

J. Shane Creamer, Jr., Esq.

Law Department Advisor

Evan Meyer, Esq.

Guest

Records Commissioner Joan Decker

After recognizing that a quorum was present, Board Chair Richard Glazer convened the meeting.

**I. Approval of Minutes**

The Board approved the meeting minutes for the public meeting on the January 16, 2006.

## **II. Executive Director's Report**

### **1. Regulation No. 1: Electronic Filing**

Mr. Creamer reported that Regulation No. 1 went into effect on January 17<sup>th</sup>. On January 25<sup>th</sup>, Mr. Creamer sent a memorandum to candidates and committees on a list of incumbents and candidates provided by the City Commissioners office. Mr. Creamer included a copy of the Regulation and the Technical Specifications in the mailing.

Mr. Creamer said that the memorandum explained the requirements of Section 20-1006 of the City's campaign finance law and that, pursuant to that section, the Board approved Regulation No. 1, which requires the electronic filing of campaign finance reports. The memorandum also explained that it took effect on January 17<sup>th</sup> and that all reports must be filed with the Records Department in the specified format. Finally, he said that the memorandum explained the various methods of filing and advised all filers to contact the Records Department to set-up an account for the system.

Mr. Creamer said that the memorandum was posted on the Board's web site, along with Regulation No. 1 and the Technical Specifications.

Due to technical problems with the electronic filing system that emerged on January 28<sup>th</sup>, as well as the relatively short amount of time before the January 31<sup>st</sup> deadline for Cycle 7 annual reports, Mr. Creamer said that a decision was made on January 30<sup>th</sup> to grant a two-week extension of time within which to file electronically with the Records Department. The new deadline was set at February 15, 2007.

Notice of the extension was accomplished by calls from Records Department staff to registered committees. In addition, Mr. Creamer said that he called the campaigns of the declared candidates for Mayor and called every member of City Council, at Council President Verna's request. Finally, Mr. Creamer said that a notice of the extension was posted on the City's web page as well as the Records Department's and Ethics Board's web sites.

Notwithstanding the extension, Mr. Creamer reported that a number of committees filed electronically with the Records Department by the January 31<sup>st</sup> deadline, including four of the five declared candidates for mayor.

## **2. Campaign Finance Seminar**

Mr. Creamer reported that a seminar on the City's campaign finance law and the electronic filing process was offered on February 8<sup>th</sup>. The seminar was held at the Community College of Philadelphia, in the College's Business & Industry Center. Sixty-four people attended the seminar. While there was at least one candidate among the attendees, Mr. Creamer said that most attendees seemed to be campaign treasurers.

Mr. Creamer said that Mr. Glazer began the seminar with welcoming remarks and a brief overview. He then introduced Lewis Rosman and Mr. Creamer, who gave a PowerPoint presentation on the law. After the presentation, Mr. Creamer said that he gave a quick tour of the Board's web site and encouraged them to visit the site to learn more about the law. The presentation on the law lasted approximately an hour-and-a-half.

After the presentation on the law, Mr. Creamer told the Board that Records Commissioner Joan Decker gave a PowerPoint presentation on the methods of filing electronically. Commissioner Decker explained that her Department created Excel templates for the reports, so that the reports could be submitted in an Excel spreadsheet in addition to the three other methods of submission. In addition to being available on the Records Department's web site, Records Department staff brought CDs with the templates burned onto them to hand out at the seminar.

After Commissioner Decker's presentation, a representative from the vendor who created the electronic filing system gave a technical demonstration on how to submit reports online through the Records Department's web site.

## **3. Single Committee/Account Letters to Candidates**

At the last meeting, Mr. Creamer reminded the Board that, at the last meeting, he reported that he had delivered letters to the four declared candidates for mayor, explaining the single committee/account rule in Section 20-1003 of the campaign finance law and asking them to provide information about their single committee and account to the Board.

Mr. Creamer said that he delivered an identical letter to the fifth Democratic candidate after he declared on January 25<sup>th</sup>. He then reported that he had received responses from all five of the Democratic candidates.

Mr. Creamer said that he will send an identical letter to the Republican candidate and to other committees, with the same request to declared candidates to provide the Board with information about their single committees and accounts.

#### **4. SPEC Letter**

Pursuant to the Board's advice in Advisory Opinion 2006-003, in which we recommend that candidates segregate any excess pre-candidacy contributions into a separate, "segregated pre-candidacy excess contribution account ("SPEC Account"), one candidate for mayor formally notified the Board that he has set-up a SPEC Account and has transferred the excess portions of several excess pre-candidacy contributions into that account.

#### **5. Legislative Update**

##### **a. Councilman Kenney's Bills**

On February 2, 2007, Councilman Kenney introduced a Bill (#070044) that would eliminate the contribution limits if a candidate for a particular office spent more than \$2 million from his or her own resources.

On February 8<sup>th</sup>, City Council issued a hearing notice for Bill 070044 and for four additional Bills and one Resolution that Councilman Kenney had apparently introduced that day.

One of the Bills (#070068) provided for further doubling of the contribution limits when a candidate spent different amounts from his own resources, while the remaining Bills ((#s 0700069 & 070070) and the Resolution ((#070071) would create a system of public finance. The hearing was set for February 14<sup>th</sup>.

Mr. Creamer reported that testimony was prepared and submitted for Mr. Glazer, who was prepared to testify at the hearing, however, the hearing was cancelled at Councilman Kenney's request on February 13<sup>th</sup>.

## **b. The City's Appeal**

Mr. Creamer told the Board that the Commonwealth Court has scheduled argument on the City's appeal from Judge Teresko's December 13, 2006 ruling for March 7<sup>th</sup>. In his ruling, Judge Tereshko held that the City's campaign finance law was invalid. The City's appeal to the Commonwealth Court automatically stayed the judges ruling, which means that the law remains in effect.

Last week, Congressman Fattah and Mr. Dougherty filed briefs in opposition to the City's appeal.

## **6. Staffing**

Mr. Creamer announced that Tina Formica has been hired as an Office Administrator. She will start working for the Board on February 26<sup>th</sup>.<sup>1</sup>

Mr. Creamer also reported that Paul Jablow has been hired as a consultant to assist with the Board's responsibilities to conduct investigations.

## **III. Electronic Filing of Cycle 7 Campaign Reports**

Records Commissioner Joan Decker provided an update on the recent electronic filing of Cycle 7 campaign finance reports that were filed by the extended deadline of February 15<sup>th</sup>. She said that 189 committees registered with the Records Department and of that number, 173 submitted Cycle 7 reports in an electronic format.

Commissioner Decker suggested that the difference in numbers was most likely attributed to judicial candidates who may have registered accounts, but were not required to file with the Records Department electronically because they are not running for a City elective office.

Commissioner Decker said that her Department communicated with committees before the filing deadline and that it provided resources, training and support to them to facilitate their electronic filing. The Department made computers available for training and data entry.

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<sup>1</sup> Ms. Formica's actual start date was subsequently moved to March 12<sup>th</sup> for administrative reasons.

The Department also created Excel spreadsheet templates to offer a fourth method of submitting the reports electronically. The Excel templates were available on CDs and were also downloadable from the Records Department's website.

Mr. Glazer thanked Commissioner Decker on behalf of the Ethics Board for her Department's tireless efforts to facilitate the electronic filing system.

#### **IV. Space Planning Update**

Mr. Glazer reported that there was a pre-bid meeting with contractors for the fit-out of the new space on February 19<sup>th</sup> and that bids were due on February 23<sup>rd</sup>. Public Property must approve the selection of the contractor and the building representative will supervise the construction. Phone lines will be activated on February 21<sup>st</sup> and while data lines are in place, Mr. Galzer explained that he was working with Law Department staff to activate the connections.

#### **V. New Business**

##### **1. Regulations for Public Speakers**

Mr. Glazer said that the Board had some advice from counsel on possible regulations for public speakers at Board meetings, but the Board was not prepared to pass any regulations at the moment. He added that there can be a chilling effect if written testimony is required in advance and he suggested that the Board may only want to request it in advance if there is a large number of speakers.

Mr. Meyer said that the Board is free to do whatever it wants, provided that it doesn't treat speakers differently. Ms. Abernathy suggested that the Board adopt a policy for public speakers, rather than regulations.

##### **2. List Server**

Ms. Abernathy asked Mr. Creamer what the status was with developing a list server for the Board's website. Mr. Creamer said that he had not heard anything from MOIS about the status of acquiring a list server application, but promised to follow-up with them.

## **VI. Public Comment**

Zack Stalberg, Executive Director to the Committee of Seventy, requested and was granted an opportunity to address the Board.

Mr. Stalberg asked the Board to take a hard look at three recent newspaper articles. One article was about certain contributions to Congressman Fattah's exploratory committee. Mr. Stalberg reminded the Board that he had already written a letter to the Board about that issue.

Other articles raised issues about whether Congressman Brady's campaign was adhering to the rules. Mr. Stalberg asked how the Board would like groups like the Committee of Seventy to raise potential violations of the campaign finance law with the Board.

Mr. Glazer said that the Board was not blind and explained that it is actively engaged in its oversight function, but that it is required to keep investigations confidential. He added that anyone could file a complaint with the Board. Ms. Abernathy added that he could assume that the Board reads the papers and is therefore aware of the articles Mr. Stalberg referred to.

Mr. Stalberg asked whether a narrower interpretation of the confidentiality provision was possible.

## **VII. Executive Session**

The Board then convened its executive session.