

CITY OF PHILADELPHIA BOARD OF ETHICS

Philadelphia’s Political Campaign Finance Law: A Plain English Explanation¹

Overview:

The Philadelphia political campaign finance law applies to candidates for the following City elective offices:

- Mayor;
- City Council;
- District Attorney;
- Sheriff;
- City Commissioners;
- City Controller;
- Clerk of Quarter Sessions; and
- Register of Wills.

The campaign finance law is located in Chapter 20-1000 of the Philadelphia Code.

As described in more detail below, the City’s political campaign finance law has three main features: (1) it sets limits on political contributions to candidates for City elective offices; (2) it requires candidates and political committees to disclose campaign finance information to the City’s Ethics Board; and (3) it gives authority to the Ethics Board to enforce and provide guidance on the law.

The contribution limit provisions of the City’s political campaign finance law were recently upheld by the Pennsylvania Supreme Court, which found that the City, as a Home Rule municipality, had the authority to enact contribution limits for its municipal candidates.

¹ This statement is provided to promote familiarity with the law. Review of its contents is not intended to substitute for review of the law itself. Nor does this statement provide any information regarding state or federal legal requirements that might apply in this area or regarding limitations on eligibility for City contracts based on campaign contributions.

1. Contribution Limits²

Beginning on January 1, 2008, individuals are limited to contributing no more than **\$2,600** (in money or things of value), to any particular candidate for City elective office in any calendar year. All others, including businesses and political committees, are limited to contributing no more than **\$10,600** to any particular candidate for City elective office in any calendar year. The law also prohibits candidates for City elective office and political committees from accepting any contribution that exceeds these limits.

A “candidate” for City elective office is someone who has either filed documents with the City Commissioners seeking to be placed on the ballot or who has publicly announced his or her candidacy.

A contribution made at any time during the same calendar year in which an individual becomes a candidate counts towards these contribution limitations. Volunteer labor and contributions from a candidate’s personal resources are not subject to these limitations.

During 2006 and 2007, the contribution limits for Mayoral candidates were doubled because a declared candidate for Mayor lawfully contributed \$250,000 or more from his own resources to his own campaign. In future elections, the doubling provision will not apply unless the Board determines that a candidate has contributed \$250,000 or more to his or her own campaign.

The doubling rule is more fully explained in Advisory Opinion 001-06 of the Board of Ethics and is available at:

www.phila.gov/ethicsboard/pdfs/Advisory_Opinion_2006-001.pdf.

2. Other Rules For Candidates

Candidates for City elective office are prohibited from using more than one political committee and more than one checking account for the purpose of receiving contributions for that candidacy or making expenditures for that candidacy.

² As required by Section 20-1002(8) of the Philadelphia Code, the contribution limits were revised, effective January 1, 2008.

Candidates and candidates' political committees are prohibited from spending "excess pre-candidacy contributions" for the purpose of influencing the candidate's election. Pre-candidacy contributions are contributions that were made before the candidate announced his or her candidacy for a City elective office. Excess pre-candidacy contributions are the portion of a pre-candidacy contribution that would have exceeded the contribution limits, if it had been made to an announced candidate.

In non-election years, candidates for the office of Mayor are limited to receiving no more than \$250,000 in total contributions from political committees; candidates for District Attorney and Controller are limited to receiving no more than \$100,000 in total contributions from political committees; and candidates for all other City offices are limited to receiving no more than \$75,000 in total contributions from political committees.

3. Electronic Filing Rule

Candidates and political committees that contribute to candidates for City offices must submit the same campaign finance information to the Ethics Board that they are required to file under the Pennsylvania Election Code, but in an electronic format. The Ethics Board has adopted Regulation No. 1, which sets forth the electronic format in which candidates and political committees must file their campaign finance information with the Department of Records (on behalf of the Ethics Board). Regulation No. 1 became effective on January 17, 2007 and is available on the Ethics Board's website at: <http://www.phila.gov/ethicsboard/pdfs/Reg-1-Campaign-FIN-with-attachment.pdf>. Under Regulation No. 1, filers of campaign finance reports are required to make filings in electronic form, in addition to the paper filings now made with the City Commissioners and the Secretary of the Commonwealth. The Department of Records (on behalf of the Ethics Board) will maintain a publicly available and searchable database containing the campaign finance information for all candidates and political committees. The campaign finance database can be accessed at: <http://www.phila.gov/records/CampaignFinance/CampaignFinance.html>.

4. Penalties And Remedies

A violation of the City's campaign finance provisions is subject to a civil penalty of \$700 for each violation committed during calendar year 2005;

\$1,100 for each violation committed during calendar year 2006; \$1,500 for each violation committed during calendar year 2007; and \$1,900 for each violation committed during calendar year 2008.

In addition to these monetary fines, potential non-monetary penalties for certain violations of the disclosure requirements under the Law may include the possibility of being forever disqualified from holding an elected or appointed City office, or employment with the City, its agencies, authorities, boards or commissions. The Ethics Board has the authority to seek the imposition of fines and penalties for violations of the Law. In addition, any person may file a lawsuit to compel compliance with any of those provisions.

5. Jurisdiction of the Ethics Board

The City's campaign finance provisions are within the jurisdiction of the Board of Ethics, which may provide training, provide advisory opinions, receive complaints, investigate compliance with and seek enforcement of those provisions.

More Information:

For more information about the City's Campaign Finance Law, please go to the Ethics Board's web site: <http://www.phila.gov/ethicsboard/index.html>, or call 215 686-9450.

About the Ethics Board:

The five-member, independent Philadelphia Board of Ethics was established by ordinance, approved by voters in May 2006, and installed on November 27, 2006. It is charged with providing ethics training for all city employees and enforcing City campaign finance, financial disclosure, and conflict of interest laws, and has authority to render advice, investigate complaints and issue fines.