



RE: Prohibited Contributions

Dear Candidates and Treasurers,

As we enter the election season, the Public Ethics Commission wants to ensure you are aware of the rules that apply to receiving campaign contributions. In the last election, we prosecuted several enforcement cases related to prohibited contributions that resulted in fines and forfeited contributions. We are sharing this advisory so you know what to look out for to avoid violations.

Prohibition on Contractor Contributions

Whenever a contract transaction requires City Council or Oakland School Board approval, contractors are prohibited from making *any contribution* to any City officeholder or candidate, or any committee controlled by a City officeholder or candidate, between the start of negotiations and for 180 days after the completion or termination of negotiations regarding the contract. The prohibition applies to an individual, proprietorship, firm, partnership, joint venture, syndicate, business, trust, company, corporation, association, committee, and any other organization or group of persons acting in concert to contract with or seeking to contract with the City or Oakland Unified School District.

Aggregated Contributions

The <u>Oakland Campaign Reform Act</u> clearly defines when contributions from two or more entities are aggregated and attributed to one entity or individual. In short, the contributions of an entity whose contributions are directed and controlled by any person are aggregated with contributions made by that person and any other entity whose contributions are directed and controlled by that same person. The rule also applies an entity that shares the majority of its members, officers, or is owned by the same majority shareholders. Aggregation rules are in place to prohibit individuals and entities from finding ways to give in excess of individual contribution limits.

Note: Use the PEC's <u>Contribution Verification Card</u> to ensure that individuals and entities are not prohibited from making a contribution to your campaign.

Contribution Limits Apply Per Election Cycle

It is important to remember that contribution limits are per election cycle and are not reset annually. If your 2020 campaign committee received contributions in 2019 and 2020 from the same individual or committee, the cumulative amount must not exceed the contribution limit. Make sure to track total contributions by donor for the entire election cycle to ensure that you don't inadvertently deposit contributions over the contribution limit.

Sincerely,

JELANI KILLINGS | Ethics Analyst | Public Ethics Commission

1 Frank Ogawa Plaza (City Hall), Room 104 | Oakland, CA 94612

Direct/Voicemail: 510.238.2061 | jkillings@oaklandca.gov | www.oaklandca.gov/pec