

CITY OF OAKLAND

PUBLIC ETHICS COMMISSION

Commissioners Ryan Micik (Chair), Charlotte Hill (Vice-Chair), Alea Gage, Arvon Perteet, Vincent Steele, and Francis Upton IV

April 4, 2023

RE: Options for partial implementation of FEA

In light of Oakland's anticipated budget shortfall for 2023-25, members of the Bay Area Political Equality Collaborative (BayPEC) recently reviewed options for implementing the Fair Elections Act even if the full funding foreseen in the Act is not allocated. Wayne Barnett, executive director of the Seattle Ethics and Elections Commission (SEEC), and René LeBeau, the democracy vouchers program manager at SEEC, joined our discussion to offer their perspectives.

We have summarized below the options we considered and the main pros and cons for each.

CLARIFICATION: The issue of full transparency, which is critical, is distinct from the issue of what options residents will have to redeem their vouchers. From the beginning, Seattle has used a relatively low-tech spreadsheet, published online, to track all returned vouchers. According to SEEC staff, the spreadsheet is simple, low-cost, and low labor. It has not generated any complaints. This spreadsheet is Seattle's tool for achieving transparency. The spreadsheet is available here:

<https://www.seattle.gov/democracvoucher/program-data>

The decision to offer either paper or online democracy dollars vouchers, or both, is a separate issue. The issue is whether the members of the public will have alternative ways to donate (or "assign") their vouchers. An online portal by which the public can donate their democracy dollars vouchers is much more complicated and costly, involves partnering with a third-party vendor, and if not launched properly, creates lots of customer service "opportunities" for Commission staff.

**BEST OPTION: PAPER VOUCHERS ONLY**

- Launching with only paper democracy dollars vouchers in 2024 would **save the cost and staff time** involved in contracting with a vendor for development, testing, and launching of an online portal through which residents could donate their democracy dollars vouchers. The PEC could utilize a Seattle-style spreadsheet or some similar tool to meet transparency goals.
- A physical democracy dollars voucher has tremendous power as an **outreach tool** to help people understand and get excited about the program and to convince residents their city is working to ensure they have voice in local politics. Seattle launched its democracy dollar program with just paper vouchers and added the online option in subsequent election cycles.
- Although usage of the online portal has increased incrementally in the two cycles in which it has been available, a large majority of Seattle residents continue to opt for paper vouchers:  
*In 2021, mail remained the most common mode of return for vouchers with 48% of vouchers delivered this way...About 30% of vouchers were returned directly to candidates and about 22% were redeemed online in 2021.*  
<https://www.seattle.gov/documents/Departments/EthicsElections/DemocracyVoucher/Program%20Data/Reports/2021%20Seattle%20Democracy%20Voucher%20Report.pdf>
- Compared with providing only an online option for assigning vouchers, the choice to provide only paper vouchers is the **more inclusive** option. No residents would be excluded due to the digital divide or the fact that an email may easily get lost even for those digitally connected.

- In Seattle, the **cost** of setting up the online assignment portal was just as much as, if not more than, the cost of mailing out paper vouchers. Postponing the online option thus saved half the cost and also bypassed potential delays associated with its implementation.

#### ALTERNATIVE OPTION #1: ONLINE VOUCHERS ONLY

- Launching with only online democracy dollars in 2024 would save the **cost and staff time** of contracting with a vendor for the design, printing, and mailing of paper vouchers.
- **Reduced inclusivity** is the biggest negative here. Using online vouchers would require access to computers and some technological know-how. This option would exacerbate the digital divide and would be at cross purposes to the goal of having the vouchers be a means of increasing participation in local elections across all areas and demographic groups in Oakland.
- This approach also **loses the symbolic power** of holding a democracy dollars voucher in your hand and loses the paper voucher as an outreach tool.
- If an online system has bugs for users, there may be significant **staff costs** associated with customer service, particularly in the first cycle and if this is the only avenue for participation.

#### ALTERNATIVE OPTION #2: FUND FEWER ELECTORAL CONTESTS

- The PEC could exclude certain races, like school board races, from the first cycle. This would presumably reduce the number of democracy dollars that are redeemed, and thus save some money.
- **Savings are less significant** because this option still requires fully launching the program, i.e. designing the paper vouchers, designing the online portal, conducting public outreach, and educating candidates. Staffing needs likely would remain the same.
- According to Mr. Barnett and Ms. LeBeau, the number of candidates doesn't have a huge **impact on staffing**. They reported that having fewer than 10 candidates is simpler, but the difference at the level of 20 or more is marginal for additional candidates in multiple races.

#### ALTERNATIVE OPTION #3: FUND CANDIDATES AT LOWER LEVELS

- The PEC could launch the first cycle with each candidate operating with a lower cap on the amount of democracy dollars vouchers they can receive. This would result in a lower overall cost of the program.
- **Savings are less significant** in this option as well because it reduces the budget but not the staffing requirements. This option also still requires full launch of the program, i.e. offers **no savings** on printing, mailing, postage or processing; or on building the online portal.
- **Fewer candidates**, and especially first-time candidates and candidates without access to donors and wealth, may be motivated to participate, defeating a core purpose of the program.
- This approach may create an impression that enough democracy dollars are provided to each candidate to run but lose, not to run and win.

#### ALTERNATIVE OPTION #4: REDUCE THE NUMBER OF VOUCHERS PER RESIDENT

- The PEC could launch the program sending fewer democracy dollars vouchers to each resident, i.e. sending two instead of four \$25 vouchers. This option offers **limited savings** as well because, while it reduces the budget, it does not reduce staffing needs and still requires full launch of the program, as discussed in options three and four.
- At the same time, it may **change the public's perception** of how effective the program can be. **Outreach** will likely have more impact, and residents will be more likely to believe the program is really meant to empower them, if the value of vouchers per resident is \$100 instead of a lesser amount.

We share our conclusions in hopes it will assist your own deliberations as the budget process unfolds.

Sincerely,

BayPEC Coalition: Common Cause, ACLU NorCal, Oakland Rising, MapLight, Asian Americans  
Advancing Justice and the League of Women Voters of Oakland