



# CITY OF HUNTINGTON PARK

City Manager's Office  
City Council Agenda Report

May 4, 2021

Honorable Mayor and Members of the City Council  
City of Huntington Park  
6550 Miles Avenue  
Huntington Park, CA 90255

Dear Mayor and Members of the City Council:

**CONSIDERATION AND APPROVAL OF AN ORDINANCE ADDING SECTIONS 2-10.01 AND 2-10.02 TO TITLE 2, CHAPTER 10 OF THE HUNTINGTON PARK MUNICIPAL CODE REGARDING CAMPAIGN CONTRIBUTION LIMITS UNDER AB 571**

**IT IS RECOMMENDED THAT THE CITY COUNCIL:**

1. Waive first reading and introduce the Ordinance adding Section 2-10.01 "Authorization" and Section 2-10.02 "Limitations on Campaign Contributions" to Title 2, Chapter 10 of the Huntington Park Municipal Code regarding campaign contribution limits under AB 571; and
2. Schedule the second reading and adoption of said Ordinance, as described above, at the next regularly scheduled meeting of the City Council.

**PURPOSE AND JUSTIFICATION OF RECOMMENDED ACTION**

AB 571 was enacted in 2020 and establishes default campaign contribution limits for cities and counties in California that have not established such limits by January 1, 2021. The default limits for city elective office is currently set at \$4,900 for 2021 and is adjusted every odd numbered year. The City Municipal Code does not currently establish any limits on the amount of contributions a person can make to the campaign of a candidate for City elective office, nor set any limitations on the amount a candidate's campaign may receive.

Under AB 571, California Government Code Section 85702.5 allows cities to establish their own campaign contribution limits for local elective offices. The California Fair Political Practices Commission ("FPPC") also released a fact sheet associated with AB 571 in which they clarify that a City may adopt a "no limit" campaign contribution limit that satisfies the requirements of AB 571. The adoption of such a limit may be adopted if the ordinance clearly states that there are no limits on contributions.

The City has considered various options regarding the default campaign contribution limits and at this time desires to maintain the status quo and the right to establish its

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own policies with regards to the manner in which City officials are elected. As such it is recommended that the City adopt the attached ordinance establishing a “no limit” campaign contribution limit in accordance with the guidance provided by the FPPC.


**FISCAL IMPACT/FINANCING**

There is no fiscal impact of this action.

**CONCLUSION**

Upon Council approval, staff will proceed with the recommended actions.

Respectfully submitted,



RICARDO REYES  
City Manager

**ATTACHMENT(S)**

- A. Ordinance to Add Sections 2-10.01 and 2-10.02 to Title 2, Chapter 10, of the Huntington Park Municipal Code
- B. Fair Political Practices Commission AB 571 Fact Sheet

**ATTACHMENT A**



**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HUNTINGTON PARK, CALIFORNIA ADDING SECTIONS 2-10.01 “AUTHORITY” and 2-10.02 “LIMITATIONS ON CAMPAIGN CONTRIBUTIONS” IN CHAPTER 10 “LIMITATION ON CAMPAIGN CONTRIUBTIONS IN MUNICIPAL ELECTIONS” AT TITLE 2, “ADMINISTRATION” OF THE HUNTINGTON PARK MUNICIPAL CODE**

**WHEREAS,** the City of Huntington Park (“City”) is a general law city, incorporated under the laws of the State of California;

**WHEREAS,** the City Council finds that this Ordinance is necessary and appropriate, in furtherance of the public health, safety, and general welfare within the City;

**WHEREAS,** City does not currently impose any campaign contribution limits for elective City Offices;

**WHEREAS,** California Assembly Bill 571 (“AB 571”) adopts default campaign contribution limits for city and county elections that do not currently have campaign contribution limits effective as of January 1, 2021, and repeals Sections 10003 and 10202 of the California Elections Code, and amends, repeals, and adds Sections 85305, 85306, 85307, 85315, 85316, 85317, and 85318, 85702.5 of the California Government Code (“Gov. Code”) relating to the Political Reform Act of 1974;

**WHEREAS,** the default campaign contribution limits imposed by AB 571 do not apply to jurisdiction which adopt their own campaign contribution limits pursuant to Gov. Code Section 85702.5;

**WHEREAS,** under Gov. Code Section 85702.5, a county or city may, by ordinance or resolution, impose different limits on campaign contribution limits for elective county or city office that is different than those imposed by AB 571;

**WHEREAS,** the California Fair Political Practices Commission’s AB 571 Fact Sheet advises that a city or county may elect to have no contribution limits if explicitly stated in an ordinance that there are no limits on contributions;

**WHEREAS,** prior to the adoption of AB 571, the Huntington Park Municipal Code did not have any campaign contribution limits and the City desires to maintain such “no limit” contribution

1 limits in accordance with the California Fair Political Practices Commission AB 571 Fact Sheet;

2       **WHEREAS**, the City Council of the City of Huntington Park desires to adopt this Ordinance  
3 and amend the Municipal Code as set forth in the Ordinance.

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5       **NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HUNTINGTON**  
6 **PARK DOES HEREBY ORDAIN AS FOLLOWS:**

7       **SECTION 1.** The recitals set forth above are incorporated herein and by this reference made  
8 an operative part hereof.

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10       **SECTION 2.** Sections 2-10.01 (Authority) and 2-10.02 (Limitations on Campaign  
11 Contributions) of Chapter 10 (Limitation on Campaign Contributions in Municipal Elections) at Title  
12 2 (Administration) of the Huntington Park Municipal Code are hereby added to read as follows:

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14       **2-10.01 Authority.**

15       Pursuant to California Government Code Section 85702.5, the City may establish limits on  
16 contributions to a candidate for elective City office.

17  
18       **2-10.02 Limitations on Campaign Contributions.**

19       There shall be no limits as to the amount of contribution made to the campaign of a candidate  
20 for elective City office by any individual, entity, or committee.

21       **SECTION 3.** If any provision of this Ordinance or the application thereof to any person or  
22 circumstance is held invalid by a court of competent jurisdiction, such invalidity shall not affect other  
23 provisions, sections, or applications of the Ordinance which can be given effect without the invalid  
24 provisions or applications, and to this end any phrase, section, sentence, or word is declared to be  
25 severable.

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27       **SECTION 4.** The City Clerk shall certify to the adoption of this Ordinance and shall cause  
28 the same to be published as required by law.

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**SECTION 5.** This Ordinance shall take effect thirty (30) days after its adoption.

**PASSED, APPROVED, AND ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2021.

**ATTEST:**

**CITY OF HUNTINGTON PARK**

\_\_\_\_\_  
Sergio Infanzon, Acting City Clerk

\_\_\_\_\_  
Ricardo Reyes, City Manager

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Arnold M. Alvarez-Glasman,  
City Attorney





**ATTACHMENT B**



# Fair Political Practices Commission

## Contribution Limits: City and County Candidates<sup>1</sup>

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### Introduction

Pursuant to Assembly Bill 571 (Stats. 2019, Ch. 556, AB 571 Mullin), beginning January 1, 2021 a state campaign contribution limit will by default apply to city and county candidates when the city or county has not already enacted a contribution limit on such candidates. Along with the new campaign contribution limit, there are also other related provisions that formerly applied only to state level candidates that will now apply to city and county candidates. Please note that none of the provisions of AB 571 discussed in this fact sheet apply to candidates in cities or counties for which the city or county has enacted campaign contribution limits.

### Current State Contribution Limit

The contribution limit that will now apply to city and county candidates pursuant to AB 571 is updated biennially for inflation. Contribution limits can be found in Regulation 18545(a)<sup>2</sup> and on the FPPC website [here](#). The default limit for contributions to city and county candidates subject to AB 571 for 2021-2022 is set at \$4,900 per election.

### Other Amended Provisions Affecting City and County Candidates

Several other provisions will now apply to city and county candidates in jurisdictions that have not enacted campaign contribution limits, including the following:

- A candidate may not make a contribution over the AB 571 limit to another candidate in jurisdictions subject to the AB 571 limit.
- Candidates may transfer campaign funds from one candidate-controlled committee to another committee controlled by the same candidate if the committee receiving the transfer is for an elective state, county or city office. However, contributions transferred must be transferred using the “last in, first out” or “first in, first out” accounting method and shall not exceed the applicable contribution limit per contributor.

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<sup>1</sup> This fact sheet is informational only and contains only highlights of selected provisions of the law. It does not carry the weight of the law. For further information, consult the Political Reform Act and its corresponding regulations, advice letters, and opinions.

<sup>2</sup> The Political Reform Act is contained in Government Code Sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in Sections 18110 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

- Candidates may not personally loan to a candidate's campaign an amount for which the outstanding balance exceeds \$100,000. A candidate may not charge interest on any such loan the candidate made to the candidate's campaign.
- Candidates may establish a committee to oppose the qualification of a recall measure and the recall election when the candidate receives a notice of intent to recall. Campaign funds raised to oppose the qualification of a recall measure and/or the recall election would not be subject to any campaign contribution limit under the Act.
- Contributions after the date of the election may be accepted to the extent contributions do not exceed net debts outstanding from the election, and contributions do not otherwise exceed applicable contribution limits for that election.
- Candidates may carry over contributions raised in connection with one election to pay for campaign expenditures incurred in connection with a subsequent election for the same office.
- Candidates are permitted to raise contributions for a general election before the primary election and may establish separate campaign contribution accounts for the primary and general so long as candidates set aside contributions and use them for the general or special general election as raised. If the candidate is defeated in the primary election or otherwise withdraws from the general election, the general election funds must be refunded to contributors on a pro rata basis less any expenses associated with the raising and administration of the general election contributions.
- Candidates that are currently in office that are running for reelection to the same seat in an election after January 1, 2021 may carry over campaign funds without attribution. Candidates running for a different office also do not need to do LIFO FIFO or attribution.

## FAQs

### **A. If a city or county does not currently have contribution limits set within their ordinance would the state contribution limit be the default?**

Yes. The state contribution limit stated above would be the default contribution limit if the city or county ordinance is silent on whether there are contribution limits within that jurisdiction or if there is no city or county ordinance in place.

**B. Is there a way for a city or county to adopt “no” contribution limits for city or county elective city and county offices?**

Yes. A city or county may elect to have “no” contribution limits. To do so, it must explicitly state in the city or county ordinance that there are no limits on contributions. If it is explicit that the city or county has implemented “no” contribution limits, the state contribution limit will not apply as a default for that jurisdiction.

**C. Can a city or county ordinance be less restrictive than the AB 571 limit (e.g., the city or county limit is set higher than the state limit)?**

Yes. A city or county can set contribution limits higher than the default state limit.

**D. If a city or county imposes contribution limits, is the Commission responsible for enforcing those limits?**

No. The Commission will not regulate the administration or enforcement of the penalties. Cities or counties with existing limits or that adopt their own limits are not subject to the state limit and may impose their own penalties for violations.

**E. If a city or county has voluntary contribution limits, but no mandatory contribution limits will the state limit be applicable?**

Yes. A city or county must enact mandatory contribution limits to avoid the state limit applying to elective city and county offices.

**F. Does the default contribution limit also include judicial candidates?**

No. Elective city and county offices do not include judicial offices.

**G. If a city or county has imposed contribution limits for particular city or county offices (e.g., Board of Supervisors), do those limits also apply to other positions such as the District Attorney or would the default state limit apply if a particular position is not specifically addressed by the city or county?**

The default state limit would apply to other positions for which the city or county has not set contribution limits. A city or county ordinance must explicitly state the city or county contribution limits and for which elective offices those limits will apply. A city or county may adopt a general provision implementing a contribution limit for all elective city and county offices in that jurisdiction. As noted above, a city or county may also adopt an ordinance that states the city or county is adopting no contribution limits for any offices to avoid the default state limit applying.

**H. Does AB 571 apply to special district or school district elections?**

No. AB 571 applies only to city and county elections for offices that a city or county has not implemented its own contribution limit.

**I. Can candidates that are subject to the AB 571 contribution limit open an officeholder committee?**

No. Officeholder committees are not permitted for candidates subject to the AB 571 contribution limit. However, a candidate may use a committee for the officeholder's future election for officeholder expenses. A candidate may also use existing funds in the election committee for current office for officeholder expenses.

**J. Does the AB 571 contribution limit apply to debt retirement for the 2020 election?**

No. For purposes of retiring debt, the contribution limit is the one that was applicable to that election. The Act did not impose a contribution limit on city and county candidates in 2020.

**K. If a contribution was received for an election occurring after January 1, 2021, PRIOR to January 1, 2021, does this contribution count towards the new AB 571 contribution limit after January 1, 2021?**

Yes. There was no contribution limit imposed on city and county candidates under the Act prior to January 1, 2021; however, if someone has already contributed up to or above the limit for a given election occurring after January 1, 2021, they will not be able to further contribute after January 1, 2021 to the same candidate for the same election.

**L. If a contributor gave \$10,000 in 2020 (prior to the AB 571 limit going into effect) to committee for a 2022 primary election, what happens?**

The AB 571 contribution limit does not apply to contributions made prior to January 1, 2021 so a contribution of this amount is permissible. However, the prior contribution would limit subsequent contributions for the same election (see last question).

**M. Does the AB 571 contribution limit apply to political party committees and small contributor committees making contributions to candidates subject to the AB 571 limit?**

Yes. Political parties and small contributor committees are only permitted to give contributions to candidates subject to the AB 571 in amounts up to the applicable AB 571 contribution limit for that candidate.

**N. Does the AB 571 limit apply to county central committee candidates?**

No. AB 571 imposes a contribution limit on city and county elective offices when a local jurisdiction has not already done so. Local jurisdictions are prohibited from placing contribution limits on county central committee candidates; therefore, AB 571 is not applicable to those offices.

**O. If an election was held in November 2020, but resulted in the need for a run-off election to be held in February 2021, how would the contributions be treated under AB 571?**

The run-off election is considered a new election. If a contributor gave any amount to an AB 571 candidate for the November 2020 election, the same contributor would still be permitted to contribute up to \$4,900 (the AB 571 limit) to the same candidate for the February 2021 run-off election.

