Ordinance No. 2023-25

City Attorney's Office

AN ORDINANCE AMENDING TITLE 3, ETHICS, CHAPTER 3, CAMPAIGN DISCLOSURE, OF THE PARK CITY MUNICIPAL CODE

WHEREAS, an Ethics Code has been adopted by the City Council to establish guidelines for ethical standards of conduct for all City officer and employees; and

WHEREAS, in keeping with the spirit of open, honest, fair, and equitable election campaigns sought to be promoted by the City Council, all candidates and candidate's election committees are required follow the State and Municipal Code outlining the rules of Campaign Finance Statements; and

WHEREAS, the Council has determined that campaign finance disclosure, which is relevant to the public's need for information about candidates for public office, is in the public interest,

NOW, THEREFORE BE IT ORDAINED by the City Council of Park City that: Title 3, Chapter 3, is amended and this Ordinance is adopted to read as outlined in Exhibit A. This Ordinance shall become effective upon publication.

PASSED AND ADOPTED this 11th day of May, 2023.

Attest:

Docusigned by:

Mayor Nann Worel

Michelle Kellogg, City Recorder

Approved as to form:

Docusigned by:

Margard Plane

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Exhibit A:

3-3 Campaign Disclosure

- <u>3-3-1 Purpose</u>
- 3-3-2 Definitions
- 3-3-3 Separate Bank Account Required
- 3-3-4 Contributions To Candidates Limitations
- 3-3-5 Campaign Contributions And Expenditures To Be Reported
- 3-3-6 Disbursement Of Surplus Campaign Funds
- 3-3-7 Failure To File Campaign Finance Statement
- 3-3-8 Notification By Election Official
- 3-3-9 Public Inspection
- 3-3-10 Civil Action

3-3-1 Purpose

It is the intent of this section to encourage candidates for the office of Mayor or Council member to follow the basic principles of decency, honesty, and fair play in order that there be fairly conducted campaigns and that the citizens of Park City may exercise their constitutional right to vote, free from dishonest and unethical practices.

Candidates are encouraged to conduct their campaigns openly and publicly, discussing the issues as they see them, presenting their record and policies with sincerity and frankness, and criticizing without fear or disfavor the record and policies of their opponents or political parties which merit such criticism.

HISTORY

Adopted by Ord. <u>91-22</u> on 12/19/1991 Amended by Ord. <u>95-38</u> on 7/27/1995 Amended by Ord. <u>01-26</u> on 7/12/2001

3-3-2 Definitions

- A. <u>CAMPAIGN STATEMENT</u>. Sworn election campaign contribution and expenditure statement prepared and executed by a candidate.
- B. **CAMPAIGN COMMITTEE**. A committee of citizens formed to campaign for a specific candidate.
- C. **CANDIDATE**. Any person who:
 - 1. files a declaration of candidacy for an elected office of the City; or
 - receivesd contributions, or made_makes expenditures, or gives consents to for another person to receiveing contributions or makeing expenditures with a view to bringing bring about such the person's nomination or

election to such office; or

3. causes on his or her behalf, any written material or advertisement to be printed, published, broadcast, distributed or disseminated which indicates an intention to seek such office.

D. **CONTRIBUTION**.

- 1. Any of the following when done for political purposes:
 - 1. A gift, subscription, donation, unpaid or partially unpaid loan, advance, or deposit of money or anything of value, or on behalf of a candidate, or a candidate's election committee.
 - An express, legally-enforceable contract, promise, or agreement to make a gift, subscription, donation, loan, advance, or deposit of money or anything of value to or on behalf of a candidate, or a candidate's election committee.
 - 3. Any transfer of funds from a political committee, a party committee, another candidate, an officeholder, or a campaign committee to a candidate, or a candidate's election committee.
 - 4. Compensation paid by any person or committee, other than the candidate, or the candidate's election committee, for personal services rendered for, but without charge to, the candidate or the candidate's election committee;
 - 5. Goods or services provided at less than fair market value to, or for the benefit of a candidate, or a candidate's election committee.
- 2. For the purposes of this Chapter, contributions other than money or its equivalent shall be deemed to have a value equivalent to the fair market value of the contribution.
- 3. 'Contribution' does not include:
 - services provided without compensation by an individual or individuals volunteering their time on behalf of a candidate, or a candidate's election committee;
 - 2. money lent to a candidate or a candidate's election committee, at market rate, in the ordinary course of business.

E. **DISBURSEMENT**. Monies, transfers, or other withdrawals from a fund for any purpose.

F. **EXPENDITURE**.

- 1. Any disbursement from contributions, receipts or from the separate bank account required by this Chapter;
- 2. A purchase, payment, donation, distribution, loan, advance, deposit, gift of money or anything of value, made by or on behalf of a candidate or a candidate's election committee for political purposes;
- 3. An express, legally-enforceable contract, promise, or agreement to make any purchase, payment, donation, distribution, loan, advance, deposit, gift of money or anything of value, by or on behalf of a candidate or the candidate's election committee for political purposes;
- 4. A transfer of funds between political or party committees and a candidate's election committee; or
- 5. Goods or services provided to or for the benefit of another candidate or another candidate's election committee for political purposes at less than fair market value.
- 6. Expenditure does not mean services provided without compensation by individuals volunteering a portion or all of their time on behalf of a candidate.
- G. **ELECTION OFFICIAL**. The City Recorder or designee.
- H. **FINANCIAL STATEMENT**. A statement disclosing contributions, expenditures, receipts, donations, or disbursements that is required by this Chapter.
- I. <u>POLITICAL PURPOSE</u>. An act done with the intent or in a way to influence or tend to influence, directly or indirectly, any person to refrain from voting or to vote for or against any candidate for public office at any primary or general election.

J. **REPORTING DATE**.

- 1. Ten (10)Seven (7) days before a primary. 28 days before the or municipal general election and seven (7) days before the municipal general election for a campaign finance statement to be filed. no later than seven (7) days before a municipal primary or general election; and
- 2. the day of filing, for a A final campaign finance statement is required to be filed no later than thirty (30) days after a municipal primary for the

<u>eliminated candidates</u> or general election for all candidates.

- K. CASH REPORTING LIMIT. \$50.
- L. **SURROGATE**. Any committee, party, organization, or other person or group who holds or maintains a fund for the benefit of an elected official.

HISTORY

Adopted by Ord. 91-22 on 12/19/1991 Amended by Ord. 95-38 on 7/27/1995 Amended by Ord. 01-26 on 7/12/2001 Amended by Ord. 07-31 on 5/31/2007 Amended by Ord. 09-12 on 3/12/2009

3-3-3 Separate Bank Account Required

- A. Each candidate or candidate's personal election committee shall deposit each contribution received in one or more separate campaign accounts in a financial institution.
- B. The candidate or candidate's personal campaign committee may use the monies in those accounts for political purposes only.
- C. A candidate or a candidate's personal campaign committee may not deposit or mingle any contributions received in a personal or business account.
- D. If a person is no longer a candidate, surplus campaign funds must be dispersed pursuant to criteria in Section 3-3-6 below and reported in the candidate's final campaign statement.

HISTORY

Adopted by Ord. <u>91-22</u> on 12/19/1991 Amended by Ord. <u>95-38</u> on 7/27/1995 Amended by Ord. <u>01-26</u> on 7/12/2001

3-3-4 Contributions To Candidates - Limitations

- A. No person shall make cash contributions, the total of which exceeds fifty dollars (\$50.00), during any one campaign, to any candidate or his or her authorized election campaign committee, with respect to any election for City office; however, there shall be no limit as to the amount contributed by a person or entity to an election committee or candidate if that contribution is made in the form of a personal or certified check or, bank draft, or electronic funds transfer.
- B. The acceptance of anonymous contributions is prohibited. Any anonymous contribution received by a candidate or election committee shall be transmitted to the City Treasurer for deposit in the general fund within 30 days after receiving the contribution.

HISTORY

Adopted by Ord. <u>91-22</u> on 12/19/1991 Amended by Ord. <u>95-38</u> on 7/27/1995 Amended by Ord. <u>01-26</u> on 7/12/2001

3-3-5 Campaign Contributions And Expenditures To Be Reported

Each candidate or election campaign committee must file a sworn campaign contribution and expenditure finance statement, that reports all of the candidate's itemized and total campaign contributions, including in-kind and other non-monetary contributions, and campaign expenditures, as of the reporting date, as follows:

- A. SWORN ELECTION CAMPAIGN CONTRIBUTION AND EXPENDITURE
 FINANCE STATEMENT CONTENT. The campaign finance statements shall include a detailed listing of each monetary and service contribution received and expenditure made, as follows:
 - Contributions. A list of campaign contributions more than fifty dollars (\$50.00) received by, or on behalf of, the candidate or his/her election committee, including:
 - a. the name and address of the contributor;
 - b. the date contribution was received;
 - c. dollar amount contributed or fair market value of service contributed; and
 - d. a net balance of contributions for the period.
 - 2. Contributions Fifty Dollars (\$50.00) or Less.
 - a. For all individual contributions or public service assistance \$50 or less, a single aggregate figure may be reported without separate detailed listings.
 - b. Two (2) or more contributions from the same source that have an aggregate total more than \$50 may not be reported in the aggregate, but shall be reported separately per section (1) above.
 - 3. **Expenditures**. A list of expenditures made and obligations incurred as a part of the campaign effort shall include:
 - a. the name and address of every recipient to whom disbursement was made;

- b. the amount expended or for each non-monetary expenditure, the fair market value of the expenditure;
- c. the date of payment; and
- d. a net balance of expenditures for the period.
- 4. **Statements Balances**. Each campaign statement shall include the net balance from the previous statement, if any, and show a net balance from the last statement plus all receipts minus all expenditures.
- B. REPORTING SWORN ELECTION CAMPAIGN CONTRIBUTION AND EXPENDITURE FINANCE STATEMENT IN THE EVENT OF A PRIMARY ELECTION DEADLINE. In the event a Primary Election is required, every each candidate running for the office of Mayor or City Council shall file an initial campaign statement with the Election Official at least_no later than seven (7) calendar days preceding the date of the primary election. See criteria outlined in Section (A).
- C. REPORTING FINAL SWORN ELECTION CAMPAIGN CONTRIBUTION AND EXPENDITURE FINANCE STATEMENT BY CANDIDATE(S) ELIMINATED IN PRIMARY DEADLINE. Those candidates eliminated in the primary election must file a final campaign finance statement with the Election Official within thirty (30) calendar days after the primary election reporting campaign contributions, including in-kind and other non-monetary contributions received before the close of the reporting date, and campaign expenditures made through the close of the reporting date, pursuant to criteria outlined in Section (A) above. The final campaign finance statement shall contain a paragraph signed by the candidate certifying that, to the best of the candidate's knowledge, all receipts and all expenditures have been reported as of the date the statement is executed, and that there are no bills or obligations outstanding and unpaid except as set forth in that report. Refer to Section 3-3-6 below concerning disposition of surplus campaign funds.
- D. REPORTING SWORN ELECTION CAMPAIGN CONTRIBUTION AND EXPENDITURE FINANCE STATEMENT PRECEDING MUNICIPAL GENERAL ELECTION DEADLINE. Following the primary election, every each candidate who is not eliminated still eligible for the office of Mayor or City Council in the general election shall file a campaign finance statement with the Election Official at least no later than twenty eight (28) -days before the day on which the municipal election is held; and seven (7) calendar days preceding the date of the general municipal election days before the day on which the municipal election is held, reporting campaign contributions, including in-kind and other non-monetary contributions received before the close of the reporting date, and campaign expenditures made through the close of the reporting date, pursuant to criteria outlined in Section (A). If there is no primary election, these deadlines apply to

<u>each</u> candidate who participates in the race for the office of Mayor or City Council.

- E. REPORTING FINAL SWORN ELECTION CAMPAIGN CONTRIBUTION AND EXPENDITURE FINANCE STATEMENT. All candidates in the general election must file a final campaign finance statement with the Election Official within no later than thirty (30) days after the general election reporting campaign contributions, including in-kind and other non-monetary contributions received before the close of the reporting date, and campaign expenditures made through the close of the reporting date, pursuant to criteria outlined in Section (A) above. The final campaign finance statement shall contain a paragraph signed by the candidate certifying that, to the best of the candidate's knowledge, all receipts and all expenditures have been reported as of the date the statement is executed, and that there are no bills or obligations outstanding and unpaid except as set forth in that report. Refer to Section 3-3-6 below concerning disposition of surplus campaign funds.
- F. AMENDED FINAL SWORN ELECTION CAMPAIGN CONTRIBUTION AND EXPENDITURE FINANCE STATEMENT. In the event a candidate or candidate's campaign committee receives a contribution or makes an expenditure after the candidate's final campaign finance statement has been submitted to the Election Official, an amended final sworn campaign finance statement must be filed with the Election Official within five (5) days of receipt of the contribution or expenditure. A campaign finance statement required under this section is considered filed if it is received in the City Recorder's office by 5 p.m. on the date that it is due.

HISTORY

Adopted by Ord. 91-22 on 12/19/1991 Amended by Ord. 95-38 on 7/27/1995 Amended by Ord. 01-26 on 7/12/2001 Amended by Ord. 02-05 on 5/9/2002 Amended by Ord. 07-31 on 5/31/2007 Amended by Ord. 09-12 on 3/12/2009

3-3-6 Disbursement Of Surplus Campaign Funds

Surplus campaign funds held by the candidate or the candidate's committee must be disbursed at the end of the campaign. Disbursement is normally accomplished by returning contributed monies or other tangible contributions to the contributor, or donating the contributions to a non-profit organization.

The disbursement of any surplus campaign funds must be reported in the final campaign finance statement.

HISTORY

Adopted by Ord. <u>91-22</u> on 12/19/1991 Amended by Ord. <u>95-38</u> on 7/27/1995 Amended by Ord. <u>01-26</u> on 7/12/2001 Amended by Ord. <u>07-31</u> on 5/31/2007

3-3-7 Failure To File Campaign Finance Statement

- A. If a candidate fails to file a campaign finance statement before the municipal election by the deadline specified in Municipal Code Section 3-3-5:
 - 1. The Election Official may send an electronic notice to the candidate that states:
 - <u>a. that the candidate failed to timely file the campaign finance</u> statement; and
 - b. that, if the candidate fails to file the report within 24 hours after the deadline for filing the report, the candidate will be disqualified; and
- A. 2. may impose a fine of \$50 on the candidate.
 - B. The Election Official shall disqualify a candidate and inform the County Clerk that the candidate is disqualified if the candidate fails to file a campaign finance statement within 24 hours after the deadline for filing the report.
 - C. -lif a candidate is disqualified, the Election Official:
 - 1. <u>Shall, if practicable, remove the candidate's name from the ballot by blacking out the candidate's name before the ballots are delivered to the voters; or</u>
 - 2. ilf removing the candidate's name from the ballot is not practicable, inform the voters by any practicable method that the candidate has been disqualified and that votes cast for the candidate will not be counted; and
 - 2____
 - 3. The Election Official3. may not count any votes for that candidate.
- B. D. Notwithstanding Section (A) above, a candidate who files a campaign finance statement seven (7) days before a municipal general election is not disqualified if the statement details accurately and completely the information required under Section 3-3-5(A), except for inadvertent omissions or insignificant errors or inaccuracies; and the omissions, errors, or inaccuracies are corrected in an amended report or in the next scheduled report.

HISTORY

Adopted by Ord. 91-22 on 12/19/1991 Amended by Ord. 95-38 on 7/27/1995 Amended by Ord. 01-26 on 7/12/2001 Amended by Ord. 07-31 on 5/31/2007

3-3-8 Notification By Election Official

The municipal clerk, recorder or Election Official shall, at the time the candidate for municipal office files a declaration of candidacy and again fourteen thirty five (1435) days before each municipal general election, notify the candidate in writing of:

- A. The provisions of this Chapter and U.C.A. Utah Code Section 10-3-208(49) governing the disclosure of campaign contributions and expenditures;
- B. The dates when the candidate's campaign finance statement is required to be filed; and
- C. The penalties that apply for failure to file a timely campaign finance statement, including the statutory provision that requires removal of the candidate's name from the ballot for failure to file the required campaign finance statement when required.

HISTORY *Adopted by Ord.* <u>07-31</u> *on 5/31/2007*

3-3-8 Public Inspection

- A. The Election Official shall make each campaign finance statement filed by a candidate available for public inspection and copying no later than one (1) business day after the statement is filed, and
- B. The Election Official shall make the campaign finance statement filed by a candidate available for public inspection by:
 - posting an electronic copy of the contents of the statement on the City's website no later than seven (7) business days after the statement is filed; and verifying that the address of the City's website is provided to the Utah Lieutenant Governor pursuant to the requirements of U.C.A. Utah Code Section 20A-11-103(5), as amended; or
 - submitting a copy of the statement to the Lieutenant Governor under U.C.A.<u>Utah Code</u> Section 20A-11-103, as amended, no later than two <u>seven (27)</u> business days after the statement is filed.

The Election Official shall accept, at all times prior to the election, all completed forms that are properly subscribed to by a candidate for public office and shall make them available as a public record open for public inspection.

HISTORY

Adopted by Ord. 91-22 on 12/19/1991 Amended by Ord. 95-38 on 7/27/1995 Amended by Ord. 01-26 on 7/12/2001 Amended by Ord. 09-12 on 3/12/2009

3-3-9 Civil Action

- A. Any private party in interest may bring a civil action in district court to enforce the provisions of this Section or any ordinance adopted under this SectionChapter.
- B. In a civil action filed under Subsection (A), the court may <u>aware award</u> costs and attorney's fees to the prevailing party.

HISTORY

Adopted by Ord. 91-22 on 12/19/1991 Amended by Ord. 95-38 on 7/27/1995 Amended by Ord. 01-26 on 7/12/2001 Amended by Ord. 07-31 on 5/31/2007