

## Subchapter VIII - Honest Elections Seattle

## 2.04.600 - Purpose and authority

- A. Purpose. This Subchapter VIII's purpose is to build honest elections in the City and prevent corruption by: giving more people an opportunity to have their voices heard in democracy; ensuring a fair elections process that holds elected leaders accountable to the people by strengthening residents' control over City government; banning campaign contributions by certain City contractors and entities using paid lobbyists; lowering campaign contribution limits; tightening prohibitions on lobbying by former elected officials (the "revolving door" problem); and expanding requirements for candidates to disclose their financial holdings and interests. This Subchapter VIII also creates a democracy voucher public finance program ("democracy voucher program" or "program" in this Subchapter VIII) to expand the pool of candidates for City offices and to safeguard the people's control of the elections process in Seattle.
- B. Authority of the people. The people have vested legislative powers of the City in a Mayor and City Council, but reserved to themselves independent of the Mayor and the City Council the power to propose for themselves measures dealing with any matter within the realm of local affairs or municipal business. That power includes the use of an initiative petition to submit to the qualified electors of the city a measure as authorized by RCW 84.55.050 to exceed the limitations of regular property taxes contained in chapter 84.55 RCW, as it now exists or may hereinafter be amended. The authority of the people to adopt this measure is also specifically authorized and reserved to the electors of the City of Seattle by RCW 42.17A.550, which allows a city to use locally derived public funds (whether from taxes, fees, penalties or other sources) to publicly finance local political campaigns, if the proposal to do so is submitted to City of Seattle voters for their adoption and approval, or rejection.

(Ord. 125611, § 3, 2018; Initiative 122, § 1, 2015.)

## 2.04.601 - Contributions from certain City contractors prohibited

- A. 1. No Mayor, City Councilmember, or City Attorney, or any candidate for any such position, shall knowingly accept any contribution directly or indirectly from any entity or person who in the prior two years has earned or received more than \$250,000, under a contractual relationship to provide goods and/or services to the City.
2. If subsection 2.04.601.A.1 is invalidated, then no Mayor, City Councilmember, or City Attorney, or any candidate for any such position shall knowingly accept any contribution of more than \$250 in one calendar year, directly or indirectly, from any entity or person who in the prior

two years has earned or received more than \$250,000, under a contractual relationship to provide goods and/or services to the City.

- B. 1. No Mayor, City Councilmember, or City Attorney, or any candidate for any such position, shall knowingly solicit a contribution for themselves or for any political party, political committee, campaign committee, or public office fund, directly or indirectly from any entity or person who in the prior two years has earned or received more than \$250,000, under a contractual relationship to provide goods and/or services to the City.
2. If subsection 2.04.601.B.1 is invalidated, then no Mayor, City Councilmember, or City Attorney, or any candidate for any such position, shall knowingly solicit a contribution of more than \$250, for themselves or for any political party, political committee, campaign committee, or public office fund, directly or indirectly from any entity or person who in the prior two years has earned or received more than \$250,000, under a contractual relationship to provide goods and/or services to the City.
- C. Neither soliciting nor accepting assignment of democracy vouchers is a violation of this Section 2.04.601.
- D. If any part of this Section 2.04.601 is invalidated, the remainder shall be construed to effect the anticorruption purposes of this Section 2.04.601 to the maximum extent allowable.

(Ord. 125611, § 3, 2018; Initiative 122, § 1, 2015.)

#### 2.04.602 - Contributions from certain entities or persons who retain lobbyists prohibited

- A. 1. No Mayor, City Councilmember, or City Attorney, or any candidate for any such position shall knowingly accept any contribution directly or indirectly from any entity or person who during the past 12-month period has paid \$5,000 or more to a lobbyist or lobbying entity (as such terms are defined in Section 2.06.010) for lobbying the City.
2. If subsection 2.04.602.A.1 is invalidated, then no Mayor, City Councilmember, or City Attorney, or any candidate for any such position shall knowingly accept any contribution of more than \$250 in any one calendar year, directly or indirectly from any entity or person who during the past 12-month period has paid \$5,000 or more to a lobbyist or lobbying entity (as such terms are defined in Section 2.06.010) for lobbying the City.
- B. 1. No Mayor, City Councilmember, or City Attorney, or any candidate for any such position shall knowingly solicit a contribution, for themselves or for any political party, political committee, campaign committee, or public office fund, from any entity or person who during the past 12-month period has paid \$5,000 or more to a lobbyist or lobbying entity (as such terms are defined in Section 2.06.010) for lobbying the City.
2. If subsection 2.04.601.B.1 is invalidated, then no Mayor, City Councilmember, or City Attorney, or any candidate for any such position, shall knowingly solicit a contribution of more than

\$250, for themselves or for any political party, political committee, campaign committee, or public office fund, from any entity or person who during the past 12-month period has paid \$5,000 or more to a lobbyist or lobbying entity (as such terms are defined in Section 2.06.010) for lobbying the City. In all cases such a candidate or office holder may solicit and accept assignment of democracy vouchers without such solicitation or assignment being considered a violation of this Section 2.04.602. If any part of this Section 2.04.602 is held invalid the remainder shall be construed to effect the anticorruption purposes of this Section 2.04.602 to the maximum extent allowable.

(Ord. 125611, § 3, 2018; Initiative 122, § 1, 2015.)

#### 2.04.605 - Expedited reporting of electronic contributions

To ensure the Commission creates an electronic reporting system that increases transparency, does not discriminate against low-budget campaigns, and takes advantage of advances in information technology, all candidates for City electoral offices shall report to the City Clerk any campaign contribution made electronically upon deposit into a candidate's account; provided that this requirement shall exist only after the Commission has determined that there are two or more electronic payment processing companies that have the capacity to report contributions to the Commission as soon as the contribution is transferred to the candidate's account. The Commission shall provide notice reasonably in advance of the election cycle in which campaigns shall comply. The Commission shall ensure that, before a contribution is required to be publicly disclosed as received by a campaign, the campaign shall have reasonable opportunity to reject or return undesired or illegal contributions.

(Ord. 125611, § 3, 2018; Initiative 122, § 1, 2015.)

#### 2.04.606 - Paid signature gatherers' disclosure

Any person or entity that is a compensated or paid signature gatherer for any City ballot measure, initiative, referendum, or Charter amendment shall disclose such to each person from whom a signature is sought, in writing via a conspicuous, legible sign, placard, or badge, stating "PAID SIGNATURE GATHERER."

(Ord. 125611, § 3, 2018; Initiative 122, § 1, 2015.)

#### 2.04.607 - Three-year prohibition on Mayor, Councilmember, City Attorney, or top staff paid lobbying

- A. A former Mayor, City Councilmember, City Attorney, or City Department head, or the highest paid aide or employee directly reporting to any of the foregoing, may not, during the period of three years after leaving City office or position, participate in paid lobbying as defined in Section 2.06.010.
- B. If subsection 2.04.607.A is invalidated, then a former Mayor, City Councilmember, City Attorney,

or City Department head, or the highest paid aide or employee directly reporting to any of the foregoing, may not, during the period of two years after leaving City office or position, participate in paid lobbying as defined in Section 2.06.010.

(Ord. 125611, § 3, 2018; Initiative 122, § 1, 2015.)

#### 2.04.620 - Democracy voucher issuance


- A. No later than the first business day in March, the Commission shall mail to each person who was, by the previous December 31, duly registered to vote in Seattle and an active voter under RCW 29A.08.615 (as amended by Chapter 109, Laws of 2018), at the person's address in the voter registration records, \$100 in democracy vouchers, except that the Commission may deliver democracy vouchers online or in another manner if the person chooses, as provided in this Section 2.04.620. Thereafter, the Commission shall regularly issue \$100 in democracy vouchers to any person becoming a duly registered Seattle voter after the previous December 31, up until at least October 1 of the election year, with regular issuance after October 1 allowable in the Commission's discretion. Democracy vouchers may be mailed or emailed to an address other than that indicated in the voter registration records.
- B. Any adult natural person may opt in to the program and obtain democracy vouchers by application to the Commission if the person is eligible under federal law to donate to a political campaign, has continuously resided in Seattle for at least 30 days immediately preceding the application, and has not received any democracy vouchers in the election cycle.
- C. On the date that the Commission mails democracy vouchers to active voters, the Commission shall also notify inactive voters of their status as an inactive voter and their opportunity to receive democracy vouchers from the Commission.

(Ord. 125611, § 3, 2018; Initiative 122, § 1, 2015.)

#### 2.04.622 - Democracy voucher form

Each democracy voucher shall substantially contain the information and substantially be in the form of Exhibit A for 2.04.622.

Exhibit A for 2.04.622

	<b>Seattle Democracy Voucher</b> <b>Primary &amp; General Election</b>		<small>NO CASH VALUE • NON-TRANSFERABLE</small> <small>&lt;&lt;EXPIRATION DATE&gt;&gt;</small>	<b>\$25</b>
	I am assigning this voucher to the qualified candidate printed here:			
<b>Candidate Name:</b>				
<small>I attest that I obtained this Democracy Voucher properly and make this assignment freely and not in exchange for payment of any kind. I am aware that assignment may not be changed and there is no guarantee of availability of funds. Assignment is complete upon delivery to the Seattle Ethics and Elections Commission, the candidate, or her or his registered representative. Vouchers may only be assigned to qualified candidates.</small>				
<b>Signature:</b>			<b>Date:</b>	
<b>Find a participating candidate at <a href="http://www.seattle.gov/democracvoucher">www.seattle.gov/democracvoucher</a></b>				

(Ord. 125611, § 3, 2018 [renumbered from 2.04.620(c)]; Initiative 122, § 1, 2015.)

#### 2.04.624 - Democracy voucher assignment, delivery, and receipt

- A. Democracy vouchers are only transferable or assignable as stated in this Section 2.04.624. Any person properly obtaining and holding a democracy voucher may assign it by: signing the holder's name and dating the democracy voucher where indicated thereon; and delivering the signed and dated democracy voucher to the candidate, or to the Commission, or to any candidate's representative who shall be registered for this purpose with the Commission. Delivery may be by mail, in person (by any person the holder requests to deliver the voucher), or electronically via a secure Commission online system, or, with the agreement of King County, through ballot drop boxes when in use. The Commission shall establish a secure online system for delivery of democracy vouchers (without prejudice to any eligible person's option to receive democracy vouchers in the mail) prior to the 2017 election cycle, unless the Commission determines this target date is not practicable; and in any event no later than the 2019 election cycle. The Commission also shall determine how it shall receive properly assigned vouchers that were not directly delivered to it.
- B. A person may only assign a democracy voucher to a candidate who has chosen to participate in the Program and who has filed a signed pledge with the Commission as described in this Subchapter VIII.
- C. No democracy voucher may be assigned after the last business day in November following the election, or to any candidate filing for participation who then fails to qualify or becomes unqualified for the position sought or for the Program. A candidate or registered candidate representative may seek assignment in person or through representatives or by assisting a voter to access the Commission secure online system. A valid assignment is irrevocable.
- D. A person may assign any number of the person's democracy vouchers to the same candidate in a

given year.

- E. Assignment or transfer for cash or any consideration is prohibited. Offering to purchase, buy, or sell a democracy voucher is prohibited. No person may give or gift a democracy voucher to another person, except by assigning it to a candidate as provided herein. Democracy vouchers have no cash value and are not assets, income, or property of the holder. A democracy voucher may not be assigned by proxy, power of attorney, or an agent.
- F. A democracy voucher expires if the holder is no longer a resident of Seattle, or no longer or not eligible to make political contributions under federal law, if such circumstances take place prior to receipt of the voucher by the Commission. The holder of a democracy voucher assumes the risk that the holder may wish to change the assignment, or that the democracy voucher may not be redeemed due to any contingency, including but not limited to: unavailability of Program funds; the assignee candidate reaching the maximum campaign valuation under subsection 2.04.630.B; a candidate's death, disqualification, dropping out, or failure to redeem or use the democracy voucher; and a candidate's not qualifying or violating the terms of qualification.

(Ord. 125611, § 3, 2018 [renumbered from 2.04.620(d-f)]; Initiative 122, § 1, 2015.)

#### 2.04.630 - Candidate qualification

- A. Only a candidate who has filed with the Commission for participation in the Program may receive assignment of a democracy voucher. Only a candidate certified as qualified by the Commission may redeem a democracy voucher. Only a person eligible for and seeking the office of Mayor, City Attorney, or City Council shall be eligible to file for Program participation.
- B. To seek qualification, the candidate shall file with the Commission, on or after July 1 the year before a municipal election year and within two weeks after filing a declaration of candidacy, a pledge attesting to the candidate's intent to participate, asserting that the candidate shall timely file or has filed a declaration of candidacy for the office indicated, and that the candidate shall comply with applicable campaign laws and the following:
  - 1. Taking part in at least three debates (as defined by the Commission) or similar public events for primary and general elections each (although the Commission may waive or reduce this requirement for good cause);
  - 2. Not knowingly soliciting money for or on behalf of any political action committee, political party, or any organization that will make an independent expenditure for or against any City candidate within the same election cycle (for the purposes of this subsection 2.04.630.B.2, appearing as a featured speaker at a fundraising event for a committee or entity constitutes soliciting money); and
  - 3. Not soliciting or accepting total contributions from any individual or entity in excess of \$500 for Mayoral candidates or \$250 for City Attorney or City Council candidates during one

election cycle, including any contribution used to qualify for democracy vouchers, but excluding the value of democracy vouchers assigned to such candidate (subject to exceptions provided in this Subchapter VIII).

- C. To qualify for the Program, candidates shall show they have received at least the following numbers of signatures and qualifying contributions of at least \$10 but not more than the Program contribution limit for the office sought provided in subsection 2.04.630.B from adult Seattle residents eligible under federal law to make political contributions: Mayoral candidates, 600; City Attorney candidates, 400; at-large City Council candidates, 400; and district City Council candidates, 150 (of which at least 75 shall be from individuals residing in that district). Signatures and contributions may come from different residents. The Commission shall maintain a list of qualified candidates and make it readily accessible to the public, including by publishing it on the Commission's website.
- D. A candidate loses qualification for the Program by publicly withdrawing or otherwise abandoning the race, failing to advance to the general election, or the Commission finding sufficient material violations of election laws or Program requirements, such as violation of campaign valuation or contribution limit laws, or fraudulent or attempted fraudulent assignment of democracy vouchers.

(Ord. 125611, § 3, 2018; Initiative 122, § 1, 2015.)

#### 2.04.632 - Democracy voucher redemption

- A. After receiving a democracy voucher pursuant to subsection 2.04.624.A, the Commission shall disburse the value of the voucher proceeds only:
1. If redemption shall not put the candidate over the maximum campaign valuation;
  2. If Program funds are available;
  3. After verifying the democracy voucher was received from an eligible person; and
  4. After verifying the democracy voucher signature. To verify signatures, the Commission may contract with King County Elections.
- B. The Commission shall redeem democracy vouchers on regular redemption dates no less than twice a month.
- C. A candidate may collect democracy vouchers for the general election before the primary election takes place and allocate democracy vouchers to the general election without such vouchers counting against the maximum campaign valuation for the primary election. A qualified candidate may not redeem democracy vouchers for the general election unless that candidate advances to the general election.
- D. The Commission shall not redeem any democracy voucher it receives from a candidate that does

not advance to the general election after the first business day in the month of September. The Commission shall not redeem any democracy voucher it receives from a general election candidate after the first business day in the month of December.

(Ord. 125611, § 3, 2018.)

#### 2.04.634 - Campaign valuations, releases, and use of proceeds

- A. Participating candidates shall comply with all campaign laws and not exceed the corresponding maximum campaign valuation. A campaign valuation is:
1. The value of unredeemed democracy vouchers assigned to the candidate that the candidate may redeem without exceeding the maximum in Table A for 2.04.634; plus
  2. The greater of:
    - a. Total contributions received; and
    - b. Money spent to date (equal to prior expenditures, plus debts and obligations).

The figures in Table A for 2.04.634 are the maximum campaign valuations for participating candidates and the campaign valuations for releases under subsection 2.04.634.B.

Table A for <u>2.04.634</u> Campaign valuations		
Position	Primary election (\$)	Total for primary and general elections (\$)
Mayor	400,000	800,000
At-large City Councilmember	150,000	300,000
District City Councilmember	75,000	150,000
City Attorney	150,000	300,000

- B. A qualified candidate may demonstrate to the Commission that an opponent's campaign valuation, or the sum of an opponent's campaign valuation and independent expenditures either



adverse to the candidate or in favor of at least one opponent, is higher than the relevant figure in Table A for 2.04.634. If the Commission does not find the excess valuation inadvertent and minor, the Commission shall allow the candidate to be released from the maximum campaign valuation. If the demonstration does not involve independent expenditures, the Commission also shall allow the candidate to be released from the campaign contribution limit. The Commission shall allow the released candidate to redeem democracy vouchers up to an amount that does not bring the campaign valuation above the maximum; after redemption, the candidate may engage in campaign fundraising without regard to anything in this subsection 2.04.634.B from which the candidate has been released.

- C. Candidates may use democracy voucher proceeds only for campaign costs or debts for the relevant office and election cycle, and may not use such proceeds after a reasonable period (to be set by the Commission) following the election to pay campaign debts. Candidates shall not use democracy voucher proceeds:
1. For any cash payments;
  2. In violation of any law;
  3. To pay the candidate (except to repay or reimburse a loan to the candidate's political committee or campaign in an amount not greater than that provided in RCW 42.17A.445(3) or WAC 390-05-400);
  4. To pay a member of the candidate's immediate family as defined in Section 4.16.030;
  5. To pay any entity in which the candidate or an immediate family member holds a ten percent or greater ownership interest;
  6. To pay any amount over fair market value for any services, goods, facilities, or things of value;
  7. To pay any penalty or fine;
  8. To pay any inaugural costs; or
  9. To pay any office funds costs.
- E. A candidate who has redeemed a democracy voucher and then withdraws, dies, becomes ineligible, loses qualification, is eliminated in any primary or general election, or wins a general election, shall within a reasonable period, as defined by the Commission, pay all debts and obligations, account to the Commission, and restore to the Commission and the Program unspent democracy voucher proceeds, which the Commission shall define by rule.

(Ord. 125611, § 3, 2018 [renumbered from 2.04.630(i-j)]; Initiative 122, § 1, 2015.)

#### 2.04.658 - Transparency

- A. Assigning a democracy voucher is a public act. Recipients of democracy vouchers shall expect the same to be public and made public and shall have no expectation of privacy in registering to

obtain, or in assigning, democracy vouchers. All democracy voucher holders are on notice that the process is public and transparent, except that the Commission shall not publish mail, email, or other addresses to which democracy vouchers are sent, unless required by chapter 42.56 RCW, or other applicable law.

- B. The Commission shall make transparent, at its offices and on its website, all assignments and redemptions of democracy vouchers, including recipient name, democracy voucher identification number, date assigned, to whom assigned, and when redeemed. The Commission shall provide other necessary means to make the democracy voucher process and Program open and transparent so that each democracy voucher recipient and the media and public can track assignments of democracy vouchers.
- C. If a democracy voucher recipient believes the recipient's democracy voucher was lost, stolen, or fraudulently or improperly assigned or redeemed, the Commission may require a notarized declaration or affidavit or other process to find the relevant facts and provide relief it deems appropriate, including Democracy Voucher replacement, cancellation of assignment, or reimbursement of any improperly obtained Program funds.
- D. The Commission shall promulgate rules and regulations regarding its receipt of duplicate democracy vouchers and shall ensure that a process exists for any democracy voucher recipient to attempt to show, without any filing fee or charge, the facts of loss, theft, destruction, forgery of, duress in, or other improper acts concerning or in the assignment of the democracy voucher. Such process shall at minimum include procedures to submit information through mails or in person.
- E. In all cases, no democracy voucher assignment shall be deemed invalid or revocable unless for reason of being a duplicate voucher or forgery, threats, coercion, or physical duress, shown by clear and convincing evidence. The Commission shall issue regulations providing remedies and consequences for such acts, which may include, for sufficient material violation of Program requirements, campaign laws, or any acts of intentional forgery, threats, duress, or coercion in obtaining assigned democracy vouchers, an order requiring a candidate to return to the Program any proceeds of democracy vouchers or disqualifying a candidate from the Program.

(Ord. 125611, § 3, 2018; Initiative 122, § 1, 2015.)

#### 2.04.690 - Administration

- A. The Commission shall implement and administer the Program, Program funds, and provisions in this Subchapter VIII, including issuing and promulgating appropriate regulations, forms, rules, information packets, procedures, and enforcement mechanisms. The Commission shall through

rule-making carry out the provisions of this Subchapter VIII, including but not limited to making regulations, defining terms, establishing other rules, or promulgating any other administrative regulations or guidelines not inconsistent with the provisions of this Subchapter VIII.

- B. Anything in this Subchapter VIII said to be done by the Commission, other than rule-making, may be done by its Executive Director or another person indicated in Commission regulations or a duly approved printer or contractor.
- C. Prior to distributing democracy vouchers, the Commission shall inform the public about democracy vouchers and the Program. The Commission shall publish appropriate guidebooks for candidates and democracy vouchers recipients, and all forms, instructions, brochures and documents necessary and proper for the Program, which shall include key documents accessible to those with visual or other disability, and translations into languages other than English spoken by a significant number of Seattle residents, presumed initially to include Spanish, Vietnamese, Cantonese, Mandarin, Somali, Tagalog, Korean, Cambodian, Amharic, Oromo, Tigrinya, Laotian, Thai, and Russian.
- D. Prior to each election cycle, the Commission may reasonably adjust the maximum campaign valuations, the dollar amounts for and numbers of qualifying contributions, the contribution limits per contributor provided in subsection 2.04.630.B (but the Commission shall not set a contribution limit for qualifying candidates that exceeds the contribution limit specified for candidates in Section 2.04.370), or the number or value of democracy vouchers provided to each eligible person, to account for inflation or deflation, and ensure the goals and purposes of the Program including democracy and accountability, high rates of candidate participation, heavy utilization of vouchers by those who have not previously donated to Seattle political campaigns, and high public satisfaction with the Program.
- E. After each election cycle, the Commission shall review the Program and submit reports to the public and the City Council. The Commission shall project Program revenue, expenditures, and Program Funds balances from 2016 through at least 2021, and shall revise and update such projections regularly, and at all times shall manage Program Funds as a fiduciary, ensuring proper accumulation and distribution of funds, during nonelection and election years, to achieve Program purposes and goals. In making such projections and administering this Program, the Commission shall consider all relevant circumstances, including differing maximum campaign valuations for different offices, differing funding needs in mayoral and non-mayoral election years, and the need to manage the Program and funds to seek participation by candidates.
- F. By January 1 of each municipal election year, the Commission shall manage and prudently conserve Program funds by considering and projecting Program funds availability and disbursements for that year and by publicizing such projections, which shall include and consider

needs of participating candidates, needs for conservation of funds for future years or reserve accumulation, prudent operating and administration cost, and prudent conservation of public resources.

- G. By January 1 of each municipal election year, to assure candidates that ample funds will be available for democracy voucher redemptions and to assure the public that democracy voucher fund redemptions will be prudently managed the Commission shall set and publish an "Available Program Funds Limit" for that year for democracy voucher redemptions. In setting the Available Program Funds Limit, the Commission shall work to reasonably project and ensure that adequate Program funds are available for that election year consistent with this Subchapter VIII and its goals and purposes and shall set aside at least an amount needed for six primary and two general election candidates for each position in that year's election to qualify and spend their maximum campaign valuation amounts using democracy vouchers only (rather than private contributions, except for private contributions used to qualify).
- H. During any municipal election year, as soon as the Commission receives or reasonably believes it shall receive democracy vouchers for redemption in excess of the Available Program Funds Limit for that year, then Program funds shall be deemed unavailable, and the Commission shall publicly announce the same and set a prompt deadline date for democracy voucher delivery. After the deadline, the Commission, considering democracy vouchers received and available Program funds, shall allocate remaining available Program funds proportionately per unredeemed verified democracy vouchers on hand, pro rata among all participating candidates for all offices without discrimination.
- I. If any special election is called, the Commission shall set aside Program Funds for such election in an amount it deems appropriate. The Commission may set, implement, or modify standards, procedures, limits, and deadlines similar to those in this Subchapter VIII as the Commission deems proper and necessary for such special election, taking care to not unduly prejudice accumulation of Program funds.

(Ord. 125611, § 3, 2018; Initiative 122, § 1, 2015.)

#### 2.04.692 - Authority to issue penalties

- A. No penalty provision in this Subchapter VIII shall diminish any other penalty or remedy under any other law.
- B. All enforcement, administrative and other powers, procedures, rights, duties, remedies, process, civil penalties and other provisions in Section 2.04.060, 2.04.070, 2.04.075, 2.04.090, 2.04.500, 2.04.510, 2.04.520, 2.16.010, and 2.16.020 relating to violations of election campaign contributions laws or initiative laws shall apply to violations of this Subchapter VIII.
- C. Participating candidates who make expenditures in excess of the maximum campaign valuation

shall be subject to a civil penalty of twice the excess, unless the Commission finds that the overspending is inadvertent and minor.

- D. All penalties, remedies, or consequences applicable to violations of Chapter 2.04 or 2.06 shall apply to violations of this Subchapter VIII, including but not limited to an order requiring the party to take particular action in order to comply with the law and/or sanctions up to \$5,000 for each violation.

(Ord. 125611, § 3, 2018 [renumbered from 2.04.690(c)]; Initiative 122, § 1, 2015.)

#### 2.04.694 - Crimes

- A. A person is guilty of trafficking in a democracy voucher if the person knowingly purchases, buys, sells, pays consideration for, sells, conveys for consideration, or receives consideration for any democracy voucher or attempts to do so.
- B. A person is guilty of theft of a democracy voucher if the person knowingly obtains or exerts unauthorized control over, with intent to deprive the proper holder or recipient thereof a democracy voucher or attempts to do so.
- C. A person is guilty of the crime of forgery of a democracy voucher if, with intent to injure or defraud, the person attempts to falsely make, complete, or alter a democracy voucher or its assignment or possess, utter, offer, dispose of, or put off as true a democracy voucher or written assigned democracy voucher that the person knows is forged. For purposes of this subsection 2.04.694.C,
1. "Falsely make" means to make or draw a complete or incomplete democracy voucher that purports to be authentic but is not authentic, either because the ostensible maker is fictitious or because, if real, the person did not authorize the making or drawing or signing thereof;
  2. "Falsely complete" means to complete a democracy voucher assignment by adding or inserting matter, including but not limited to a forged signature, without the authority of the person entitled to assign the democracy voucher; and
  3. "Falsely alter" means to change a democracy voucher, without authorization by the holder or recipient of the democracy voucher entitled to grant it, by means of erasure, obliteration, deletion, insertion of new matter, transposition of matter, or in any other manner.
- D. A person is guilty of possession of a stolen democracy voucher if the person, being other than the recipient of a proper assignment of a democracy voucher, knowingly receives, retains, possesses, conceals, or disposes of another's democracy voucher knowing that it has been stolen and withholds or appropriates that democracy voucher to the use of any person other than the true owner or person entitled thereto.
- E. A person is guilty of trafficking in a stolen democracy voucher if the person attempts to traffic in a stolen democracy voucher, meaning to sell, transfer, distribute, dispense, or otherwise dispose of

such stolen democracy voucher rightfully belonging to another person, or to buy, receive, possess, or obtain control of a democracy voucher with intent to sell, transfer, distribute, dispense, or otherwise dispose of the democracy voucher to another person.

- F. A person is guilty of falsifying qualification information if the person knowingly provides false information to the Commission regarding any element of qualifying for the Program, including but not limited to information provided regarding qualifying contributors or number of qualifying contributions under subsection 2.04.630.C.
- G. A crime in this Section 2.04.694 is a gross misdemeanor punishable by a fine not to exceed \$5,000 or imprisonment for a term of up to 364 days, or both, or as otherwise provided by State law.
- H. In this Section 2.04.694 the term "person" includes any natural person, a corporation, a joint stock association, an unincorporated association, and a political committee.
- I. In cases of all crimes defined by this Section 2.04.694, the Court may also require restitution to the Program of all costs of prosecution, including attorneys' fees, as well as any amounts misappropriated, or the face value of Democracy Vouchers misused. In cases of crimes by a candidate or political committee, the Court also may require return of all funds received from the Program in that election cycle consistent with equity, due process, and proportional justice, and/or may disqualify the political committee or candidate from participating in the Program for that election cycle.

(Ord. 125611, § 3, 2018 [renumbered from 2.04.690(d)]; Initiative 122, § 1, 2015.)

#### 2.04.696 - Severability and captions

Provisions of this Subchapter VIII and its sections are separate and severable. The invalidity of any part, or its application to any circumstance, shall not affect the validity of other parts or application to other circumstances. Captions provided are not substantive.

(Ord. 125611, § 3, 2018 [renumbered from 2.04.690(e)]; Initiative 122, § 1, 2015.)