City Council Memorandum

TO: **HONORABLE MAYOR AND CITY COUNCIL** **DATE: JUNE 10, 2025**

FROM: **CITY CLERK'S OFFICE** **WARDS: ALL**

SUBJECT: **ADOPT ORDINANCE TO AMEND RIVERSIDE MUNICIPAL CODE ADDING CHAPTER 1.16 ENTITLED ELECTRONIC AND PAPERLESS FILING OF FAIR POLITICAL PRACTICE COMMISSION CAMPAIGN DISCLOSURE STATEMENTS**

ISSUE:

Adopt an Ordinance to amend the Riverside Municipal Code to add Chapter 1.16, entitled "Electronic and Paperless Filing of Fair Political Practice Commission Campaign Disclosure Statements" to allow for electronic filing of campaign disclosure statements.

RECOMMENDATION:

That the City Council adopt an ordinance adding Chapter 1.16 to Riverside Municipal Code to allow for electronic filing of Fair Political Practices Commission Campaign Disclosure Statements.

INTRODUCTION OF ORDINANCE:

The City Council approved to introduce an Ordinance to add Chapter 1.16 to Riverside Municipal Code to allow for electronic filing of Fair Political Practices Commission Campaign Disclosure Statements. The motion carried unanimously with Councilmembers Conder and Hemenway absent.

LEGISLATIVE BACKGROUND:

The Political Reform Act recognizes campaigns that spend or raise more than $2,000 as "Controlled Committees." Under the Act, these committees must file detailed campaign finance statements, also known as Fair Political Practices Commission (FPPC) Form 460s. The City Clerk is the local filing officer for the City of Riverside and is responsible for receiving, reviewing, and storing campaign disclosure information, as well as making it accessible to the public.

Assembly Bill (AB) 2151 also requires cities to post any campaign statement, report or other document required by the Political Reform Act on their city website within 72 hours of its filing.

Government Code Section 84615 allows local government agencies to require an elected and appointed official, candidate, or committee to file FPPC campaign statements, reports, or other documents online or electronically with a local filing officer.

DISCUSSION:

The City Clerk's Office currently accepts paper filings of campaign statements, and staff have been manually redacting and uploading forms to the City website.

To provide a more efficient process, the City Clerk's Office is in the process of acquiring Netfile, an electronic/paperless filing system that accommodates online filing of several types of FPPC forms, including Forms 460, 470, 496, and 497, and meets the requirements of the Secretary of State. Netfile will ensure compliance with AB 2151, provide more transparency to the public, and offer an easier way for all filers to track, complete, and submit required filings. Netfile is a web-based, vendor-hosted application utilizing "industry best practices" to secure data.

Implementing Netfile system will promote transparency and provide convenience for committees, individuals, and the public with 24-hour accessibility to campaign finance information and increase the accuracy of campaign disclosure statements by prohibiting any filings that may have inadvertently omitted information required under the Political Reform Act.

In order for the City of Riverside to accept electronically filed statements, the City Council must adopt an ordinance approving the use of an online or electronic filing system, which shall include the legislative finding that the system will operate securely and effectively and will not unduly burden filers.

The City Clerk's Office recommends that the City Council introduce and adopt the attached ordinance to allow for electronic filing of Fair Political Practices Commission Campaign Disclosure Statements, which will be in effect before the next filing deadline for semi-annual campaign disclosure statements.

FISCAL IMPACT:

The total fiscal impact for the current year is $7,500 plus an ongoing cost of $7,500 per year for software. Funds for the Netfile campaign disclosure system are available in the General Fund, City Clerk-Election Services Professional Services account 1205000-421000. Funding for the first two years of the agreement is included in the City Clerk's Office operating budget for FY 2024/25 and FY 2025/26 that will be brought forward for adoptions in June 2025. Subsequent years will need to be budgeted to cover the ongoing software cost.

Prepared by: Eva Arseo, Assistant City Clerk
Approved by: Donesia Gause, City Clerk

Attachment: Ordinance