

COUNCIL REFERRAL MEMORANDUM

To: Hayward Mayor and City Council

From: Council Members Ray Bonilla Jr., George Syrop, & Francisco Zermeño **Subject**: Referral - Reviewing Voluntary Expenditure and Contribution Limits

Date: 3/25/2025

BACKGROUND:

The City of Hayward transitioned from an "at-large" to a "district" election system for its City Council seats toward the end of 2024. The Voluntary Expenditure Limit (VEL) for campaigns seeking elected office for the City of Hayward is currently set at \$91,096 for 2025. Campaigns can receive contributions up to \$1,784 per individual if they agree to the VEL, and \$410 per individual if they do not. At-large candidates raised and spent between approximately \$30,000 and \$60,000 in the 2022 and 2024 election cycles (with one unsuccessful candidate spending \$75,000) to court the approximately 81,000 registered voters across the city. With the recent district transition, there are between approximately 10,500 to 14,800 registered voters in each of the six Council districts.

The current VEL was rarely, if ever, reached for at-large races and Council candidates have to reach fewer voters in district races. If current limits were already comfortably high at-large, they may be excessively high for districts. Revisiting the current VEL and individual contribution limits will help uphold the City's effort to ensure elections are influenced more by people than by money.

"We believe that...

- The importance of large campaign contributions should be reduced while the value of grass roots activism and small contributions should be increased.
- It is difficult for first time candidates, even highly qualified candidates, to raise the funds needed to run a competitive campaign..."

-Campaign \$olutions for Hayward (CA\$H) - June 6, 2002

SUMMARY:

This referral requests that Council direct staff to agendize a Council worksession for reviewing the City's voluntary expenditure limit and individual contribution limits. Both the worksession and any modifications to these limits desired by Council are to be adopted before the end of the current calendar year in order to minimize the impact such changes may have on campaigns for City elected office in the 2026 election cycle and beyond.

Ray Bonilla Jr. Council Member

Council Member

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Council Member

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REFERENCES:

ORIGINAL ORDINANCE & STAFF REPORT IMPLEMENTING CAMPAIGN FINANCE LIMITS: https://portal.laserfiche.com/Portal/DocView.aspx?id=135466&repo=r-b6d2994c&searchid=be94f3b1-7a36-4b97-9900-2d5764dffa81

NOTICE OF CAMPAIGN CONTRIBUTION LIMIT AND EXPENDITURE LIMIT FOR HAYWARD CITY ELECTED OFFICES:

https://www.hayward-ca.gov/sites/default/files/documents/Notice-of-2025-CPI-Adjustment.pdf