

CITY OF YUBA CITY
STAFF REPORT

Date: October 5, 2021
To: Honorable Mayor and Members of the City Council
From: Ciara Wakefield, City Clerk Administrator
Presentation By: Dave Vaughn, City Manager

Summary

Subject: Electronic and paperless filing of Fair Political Practices Commission disclosure statements

Recommendation: Adopt an Ordinance of the City Council of the City of Yuba City adding Chapter 13 (Disclosure Statement Filings and Retention) to Title 2 of the Yuba City Municipal Code to allow for paperless electronic filing, and availability of statements for public review and record retention, and waive the second reading

Fiscal Impact: No fiscal impact

Purpose:

To adopt an Ordinance to authorize online/paperless filing solution for Fair Political Practices Commission (FPPC) disclosure statements.

Background:

Government Code Section 84615 allows local government agencies to require elected and appointed officials, candidates, and committees to file FPPC campaign statements, reports, or other documents online or electronically with a local filing officer. The City Clerk is the local filing officer for the City of Yuba City. A copy of Government Code Section 84615 is attached for reference.

On September 7, 2021, the proposed Electronic Filing Ordinance was introduced to City Council.

In order for the City to transition to electronically filed statements, the City Council must now adopt an ordinance permitting the use of an online filing system as an option for filing and designating the filings received electronically by the City Clerk's Office as the filings of record for the City. In addition, the system must operate securely and effectively, be offered at no cost to filers, be available to the public to view filings, not place an undue burden on filers, and include procedures for filers to comply with the requirement that they sign statements and reports under penalty of perjury.

In conjunction with this, Staff determined that NetFile is the preferred solution for electronic filing. The NetFile system was created specifically for cities and counties responsible for administering campaign finance filings and Statements of Economic Interest, it meets the requirements of the Secretary of State, and it allows for electronic and paperless filing of campaign statements.

Analysis:

Adoption of the proposed ordinance is required to implement electronic filings of FPPC for 700 “Statement of Economic Interest” and the campaign finance component of the NetFile system, and will only apply to those filers who exceed a threshold of \$2,000 for expending or receiving campaign funds. This threshold is consistent with the Political Reform Act (the “Act”), which recognizes campaigns that spend or raise more than \$2,000 as “Controlled Committees.” Under the Act, these types of committees are obligated to file detailed campaign finance disclosure statements, also known as Form 460’s. For those smaller campaigns that do not exceed the \$2,000 threshold, they may continue to file paper versions of the Form 470 disclosure forms. It should be noted that the NetFile system is able to accommodate the online filings of several types of required forms by the FPPC including Forms 460, 470, 496, and 497, which are most commonly used in the City’s local election campaigns.

Once the Ordinance is adopted, the City anticipates using NetFile. NetFile is a web-based, vendor hosted application that utilizes “industry best practices” for securing data, using the same data encryption for online filings that is used by banks for online banking.

NetFile stores and backs up data at three separate locations, creating the essential safety measures and redundancy that will allow for recovery of information in the event of an emergency or disaster. The City’s data will be retained for the required minimum 10-year period.

Implementation of the NetFile system will promote transparency and make it more convenient for committees, individuals, and the public. It provides 24-hour filing and viewing accessibility of campaign finance information from any computer, in any location.

Fiscal Impact:

Aside from improved efficiency and staff time, no fiscal impact is anticipated.

Alternatives:

Do not adopt the ordinance. Fair Political Practices Commission (FPPC) documents would not be required to be filed electronically utilizing the NetFile software.

Recommendation:

Adopt an Ordinance of the City Council of the City of Yuba City adding Chapter 13 (Disclosure Statement Filings and Retention) to Title 2 of the Yuba City Municipal Code to allow for paperless electronic filing, and availability of statements for public review and record retention, and waive the second reading.

Attachments:

1. Ordinance
2. Government Code Section 84615

Prepared By:

/s/ Ciara Wakefield
Ciara Wakefield
City Clerk Administrator

Submitted By:

/s/ Dave Vaughn
Dave Vaughn
City Manager

Reviewed By:

City Attorney

[SLC by email](#)

ATTACHMENT 1

ORDINANCE NO. _____

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUBA CITY ADDING
CHAPTER 13 (DISCLOSURE STATEMENT FILINGS AND RETENTION) TO
TITLE 2 OF THE YUBA CITY MUNICIPAL CODE TO ALLOW FOR PAPERLESS
ELECTRONIC FILING, AND AVAILABILITY OF STATEMENTS FOR PUBLIC
REVIEW AND RECORD RETENTION**

WHEREAS, Government Code Section 84615(a) provides that a legislative body of a local government agency may adopt an ordinance that requires an elected officer, candidate, or committee, required to file statements, reports, or other documents required by Chapter 4 of the Political Reform Act to file such statements, reports or other documents online or electronically with the City Clerk; and

WHEREAS, Government Code Section 84615(b) further provides that, in any instance in which an original statement is required to be filed with the Secretary of State and a copy of that statement is required to be filed with the local government agency, the ordinance may permit, but shall not require, that the copy be filed online or electronically; and

WHEREAS, it is the intent of the City Council that the City Clerk will operate the electronic filing system in compliance with the requirements of California Government Code Section 84615 and any other applicable laws; and

WHEREAS, the City Council now desires to enact an ordinance to allow paperless electronic filing and availability of statements for public review and record retention as contemplated by the Political Reform Act.

NOW, THEREFORE, the City Council of the City of Yuba City does ordain as follows:

Section 1. Chapter 13 (Disclosure Statement Filings and Retentions) of Title 2 of the Yuba City Municipal Code is here by added to read in its entirety as follows:

CHAPTER 13 – DISCLOSURE STATEMENT FILINGS AND RETENTIONS

Sec. 2-13.01. – Electronic Filing

- (a) Except as provided in Government Code Section 84615 (a)-(b), as amended from time to time, any elected officer, candidate, committee, or other person required to file statements, reports, or other documents (“Statements”) as required by Chapter 4 of the Political Reform Act (Government Code Section 84100 et seq.) shall file such Statements using the online system according to procedures established by the City Clerk.
- (b) The procedures established by the City Clerk for the online system shall ensure that the online system complies with the requirements set forth in Government Code Section 84615.
- (c) The online filing system shall ensure the integrity of the data transmitted and shall include safeguards against efforts to tamper with, manipulate, alter, or subvert the data.
- (d) The online filing system shall only accept a filing in the standardized record format that is developed by the California Secretary of State pursuant to Government Code Section 84602 (a)(2) and that is compatible with the Secretary of State’s

system for receiving an online or electronic filing.

- (e) The online filing system shall include a procedure for filers to comply with the requirement that they sign statements and reports under penalty of perjury pursuant to Government Code Section 81004.

Sec. 2-13.02. – Procedures for Utilizing Electronic Filing

- (a) Any elected officer, candidate, or committee who has electronically filed a Statement using the online system is not required to file a copy of that document in paper format with the City Clerk.
- (b) The City Clerk shall issue an electronic confirmation that notifies the filer that the Statement was received, the notification shall include the date and time that the Statement was received and the method by which the filer may view and print the data received by the City Clerk. The date of filing for a Statement filed online shall be the day that it is received by the City Clerk.
- (c) If the City Clerk's system is not capable of accepting a Statement due to technical difficulties, an elected officer, candidate, or committee shall file that Statement in paper format with the City Clerk.
- (d) The online filing system shall enable electronic filers to complete and submit filings free-of-charge.

Sec. 2-13.03. – Availability of Statements for Public Review and Record Retention

- (a) The system shall make all the data filed available on the City's webpage in an easily understood format that provides the greatest public access. The data shall be made available free-of-charge and as soon as possible after receipt. The data made available on the City's webpage shall not contain the street name and building number of the persons or entity representatives listed on the electronically filed forms or any bank account number required to be disclosed by the filer. The City Clerk's Office shall make a complete, unredacted copy of the statement, including any street names, building numbers, and bank account numbers disclosed by the filer, available to any person upon request.
- (b) The City Clerk's Office shall maintain, for a period of at least ten (10) years commencing from the date filed, a secured, official version of each online or electronic statement which shall serve as the official version of that record for purposes of audits and other legal purpose.

Section 2. Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance or any part thereof is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council of the City of Yuba City hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional or invalid or ineffective.

Section 3. No Mandatory Duty of Care. This Ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 4. The passage of this Ordinance is not a “project” according to the definition in the California Environmental Quality Act, and therefore is not subject to the provisions requiring environmental review.

Section 5. Effective Date. This Ordinance shall take effect thirty (30) days after the date of its adoption, and the City Clerk shall certify to the adoption thereof and cause publication according to law.

Introduced and read at a regular meeting of the City Council of the City of Yuba City on the 7th day of September, 2021, and passed and adopted at a regular meeting held on the 5th day of October, 2021.

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Marc Boomgaarden, Mayor

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:

Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP