



## Item 10a - Staff Memo with timeline

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TO: Public Ethics Commission  
FROM: Suzanne Doran, Acting Executive Director  
DATE: December 2, 2022  
RE: Measure W Oakland Fair Elections Act Implementation Update for the December 14, 2022, PEC Meeting

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With the passage of Measure W, the Oakland Fair Elections Act, the Public Ethics Commission (PEC or Commission) is planning for a transition of growth in staffing, structure, and responsibilities as administrator of a completely re-designed public financing program. This memorandum provides a broad overview of the operational changes required by the new law and associated amendments with a tentative timeline for implementation tasks.

### Background

On November 8, 2022, Oakland voters approved ballot Measure W, which replaced all existing language in the Limited Public Financing Act with the Oakland Fair Elections Act (OFEA) including a newly designed public financing program that disperses \$100 in Democracy Dollar vouchers to eligible Oakland residents who can then assign the Dollars to their preferred candidate. The new law outlines criteria for participation and thresholds that a candidate must meet to qualify for the program and receive assigned vouchers, including campaign spending limits and participation in a certain number of public forums. It also includes a significant outreach component, to be led by the PEC, as well as a variety of new duties for the PEC and its staff.

Measure W also amended the City Charter to add required funding as well as four new PEC staff positions to implement the new program. In addition, the legislation adjusts contribution and spending limits for Oakland campaigns and extends the post-employment lobbying ban for City officers from one-year to three years.

While some provisions of the law and amendments are effective January 1, 2023, the staffing levels and program budget are not effective until July 1, 2023.

### Operational Changes and Tasks

#### Budget and Staffing

1. Effective July 1, 2023, the City shall appropriate at least \$1,250,000 to administer the Democracy Dollars Program, as well as at least \$4,000,000 for the purpose of funding Democracy Dollars. In addition, for the 2023 fiscal year, at least \$700,000 for start-up costs

associated with initiating the Democracy Dollars Program will be appropriated to the PEC budget. Staff is meeting with the City's Finance Department in December to prepare for the fiscal year 2023-2024 and 2024-2025 budgeting process, which takes place in the first quarter of 2023, to ensure timely allocation and availability of new program funds.

2. Effective July 1, 2023, the City must provide adequate staffing necessary to properly administer the Democracy Dollars Program, including at least four additional full-time positions reporting to the Executive Director. To implement the program in 2024, it is imperative that hiring processes start now to place staff into these positions by July 2023. To that end, Commission staff has begun work with the City's Human Resources department to develop the job specifications, design the civil service examination process, and conduct recruitment, so that the interview and selection process can commence by March 2023.
3. Given the Commission's expanded duties and staffing, the Commission will need additional space that is easily-accessible to the public and Commission clients. Commission staff will explore options for office space to accommodate the additional staff.

### **Administrative Processes and Technology**

1. The Commission must develop a technology system to administer the program, from creating Democracy Dollar records with unique identifiers to tracking the Democracy Dollar vouchers throughout processing from assignment to validation to creating invoices for fund disbursements to candidates. In addition, the system must track performance metrics identified in the law and publish metrics and data in a searchable, user-friendly public transparency portal. Immediate next steps for Commission staff are drafting a business requirements document in collaboration with the IT department, which will be the basis of a request for proposals (RFP), so system development can start in July when program start-up funds are available. Additionally, creating and distributing Democracy Dollars to all Oakland registered voters and eligible residents requires coordination with the appropriate agencies, including the Alameda County Registrar of Voters and the Oakland City Clerk, for all information required to identify and validate eligible residents. Staff conducted preliminary research on public finance administration systems in other jurisdictions as well as analysis of the legislation, and business requirements documentation is underway.
2. Administrative procedures must be developed as well as all forms and documents necessary to administer the Program, such as the candidate certification process and a design for the Democracy Dollar including elements specified by law. System controls to ensure compliance and an audit program of certified candidates are required. Performance measures and goals must be in place enabling a post-election review of the program in coordination with the Race and Equity Department that will be submitted to City Council. In the next six months, outlining workflows and procedures, particularly those that will inform development of the technology solution, will be prioritized until the program is fully-staffed.

### Policy

1. Although the Program is effective for the first election in 2024, the Commission has discretion to adjust the timing and main conditions of the Program as needed. Setting deadlines and milestones required for Program roll-out in 2024, such as minimum staffing levels and successful deployment of the technology system, are also a high priority next step.
2. The Commission is also tasked with adopting rules and regulations necessary to carry out the Oakland Fair Elections Act. Identifying policy questions requiring Commission action prior to 2024 launch can begin in the months prior to full program implementation.

### Outreach

1. Once the program is fully staffed, staff will develop a plan for education and outreach, in coordination with community organizations and the City's Race and Equity Department, to ensure all City residents are informed about the program. Engagement on this scale will require partnering with community-based organizations and other supporters and may also involve requests for proposals to produce and distribute marketing materials. There will be many additions that need to be made to the content of the Commission's website as well as candidate resources and training. Commission staff will make updates incrementally over the next six months and beyond to ensure Commission content reflects the new legislation and associated amendments.

Attached is the full Measure W text, the Staff Memo to the Commission dated 3/31/2022 providing a detailed summary of new provisions and amendments effected by Measure W, and a tentative implementation timeline to highlight key dates.

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OAKLAND FAIR ELECTIONS ACT – DEMOCRACY DOLLARS

## Implementation Overview with Key Dates

<b>Phase 1: Preliminary Tasks</b>	
<b>Nov 2022 – June 2023 Activities and Outcomes</b>	
<b>Nov 2022</b>	<ul style="list-style-type: none"> <li>• Research and analysis of requirements for program administration.</li> <li>• Begin coordination with other City stakeholders and agencies.</li> </ul>
<b>Dec 2022 – Jan 2023</b>	<ul style="list-style-type: none"> <li>• Preparation for 2023 – 2025 fiscal year budget process.</li> <li>• Develop the job specifications and design the civil service examination process for new staff positions in partnership with HR.</li> <li>• Develop tech business requirements in partnership with ITD.</li> </ul>
<b>Feb 2023</b>	<ul style="list-style-type: none"> <li>• Draft tech system RFP in partnership with ITD.</li> <li>• Develop program webpages to chart implementation progress.</li> </ul>
<b>Mar 2023</b>	<ul style="list-style-type: none"> <li>• Issue tech system RFP in partnership with ITD.</li> <li>• Drafting RFP for Democracy Dollar design, printing, and distribution.</li> </ul>
<b>Apr – Jun 2023</b>	<ul style="list-style-type: none"> <li>• Vendor selection and approval in partnership with ITD, Finance Departments.</li> <li>• Recruitment for new positions, examination/interview process.</li> <li>• Preliminary development of forms, systems for program administration.</li> <li>• Identify policy questions requiring Commission action prior to 2024 launch.</li> <li>• Determine milestones, success metrics for program roll-out.</li> <li>• Ongoing engagement with stakeholders to raise awareness of the Democracy Dollars program and gain input through various available channels.</li> </ul>
<b>Phase 2: Program Foundations</b>	
<b>Jul - Dec 2023</b>	
<b>Jul – Aug 2023</b>	<ul style="list-style-type: none"> <li>• Program funds budgeted and available for 2023 – 2024.</li> <li>• New positions filled and staff onboarded.</li> <li>• Tech system development begins.</li> <li>• Outreach plan development in partnership with City and community partners.</li> </ul>
<b>Sep – Oct 2023</b>	<ul style="list-style-type: none"> <li>• Democracy Dollar and packet design selected.</li> <li>• Commission adopts regulations prior to 2024 launch, as needed.</li> <li>• Outreach and training materials developed for Oakland residents, candidates.</li> <li>• Monitor milestones required for 2024 launch date.</li> </ul>
<b>Nov – Dec 2023</b>	<ul style="list-style-type: none"> <li>• Tech system MVP tested and ready to deploy.</li> </ul>
<b>Phase 3: Program Launch</b>	
<b>Jan - Nov 2024</b>	
<b>Jan – Mar 2024</b>	<ul style="list-style-type: none"> <li>• Democracy Dollars funds available announced.</li> <li>• Candidate application process begins.</li> <li>• Ongoing outreach to raise awareness of Democracy Dollars program.</li> </ul>
<b>Apr 2024</b>	<ul style="list-style-type: none"> <li>• Democracy Dollars distributed to Oakland registered voters by April 1, 2024.</li> <li>• Voucher assignment system and public program dashboard live.</li> </ul>
<b>May – Nov 2024</b>	<ul style="list-style-type: none"> <li>• PEC staff processes DD vouchers, disburses funds to candidates.</li> </ul>
<b>Phase 4: Post-election Evaluation</b>	
<b>Dec 2024 - ongoing</b>	<ul style="list-style-type: none"> <li>• Candidates return unused funds.</li> <li>• Program audit, performance evaluation reports for Commission and City Council.</li> <li>• Tech system and outreach development continues, user-experience, data-informed improvements.</li> </ul>