The Campaign Disclosure and Spending Limits Amendment Bylaw, 2022

ISSUE

This report submits Bylaw No. 9830, *The Campaign Disclosure and Spending Limits Amendment Bylaw, 2022* ("Bylaw") for City Council's consideration. The Bylaw implements City Council's decision to make amendments to Bylaw No. 8491, *The Campaign Disclosure and Spending Limits Bylaw, 2006* ("Bylaw 8491") as recommended by the Saskatoon Municipal Review Commission and to address and clarify provisions that were the subject of candidate inquiries or issues identified by the Returning Officer during the 2020 election process.

RECOMMENDATION

- 1. That City Council consider Bylaw No. 9830, *The Campaign Disclosure and Spending Limits Amendment Bylaw, 2022.*
- 2. That the direction of City Council issue regarding the receipt of out of country campaign contributions.

BACKGROUND

At its <u>June 21, 2021 meeting</u>, the Governance and Priorities Committee ("GPC") received, for information, a report from the Returning Officer reviewing the 2020 civic election.

At its <u>June 28, 2021 Regular Business Meeting</u>, City Council considered a report of the Saskatoon Municipal Review Commission dated June 7, 2021 and resolved:

That the Saskatoon Municipal Review Commission – 2021 Municipal Elections Committee Report be referred to the appropriate Governance & Priorities Committee for review and report; and

That City Council send a letter to the Premier, Minister of Government Relations, SUMA and the City Mayors' Caucus to start the process of reviewing the election date to make it earlier in the year.

At its <u>August 23, 2021 meeting</u>, GPC considered a report of the Returning Officer providing comments on the 2021 Municipal Election Committee Report. The report was debated by City Council at its <u>Regular Business Meeting on August 30, 2021</u> and it resolved:

- That the City discuss and consult with other Saskatchewan cities, SUMA, and municipal associations to seek consensus for changes to local elections, including when they are held;
- That the Administration conduct a review of monthly communications and constituency relations allowance spending patterns and that any amendments to Policy No. C01-027 be revisited after the review is complete;
- 3. That the status quo be maintained, providing mayoral candidates with a reimbursement of audit fees up to \$2,000 where campaign expenses of \$5,000 or more are incurred;
- 4. That the Administration conduct a review of all schedules in Bylaw 8491 for clarity, consistency, and thoroughness and that the City Solicitor be instructed to amend Bylaw 8491 to include:
 - a) definition of "campaign period" commencing on June 1 in the year of a general election;
 - a definition of "campaign expense" to state that remuneration paid to an official agent does not constitute a campaign expense;
 - c) a schedule where the official agent can be listed;
 - schedules for the appointment of official agent for a candidate for mayor and the appointment of auditor for candidate for mayor;
 - e) clarifying language regarding the retention of records by candidates when an official agent has been appointed;
 - f) the addition to section 25 of "In addition to the penalties set out in section 24, if a candidate who is elected contravenes any provision of this Bylaw, sections 120, 121, 122 and 123 of The Cities Act shall apply"; and
 - g) other general housekeeping amendments that were brought forward throughout the election process based on questions from candidates; and
- 5. That Administration seek clarity from Government regarding disqualification provisions in *The Cities Act*, specifically sections 120 through 124, as to their application and interpretation.

At the same meeting, City Council further resolved:

That the definition of campaign expense under 3(2) be amended to read:

"Expenses incurred for the preparation of election advertising materials, website development and signs and incidental financial charges required to accept campaign contributions may be incurred prior to the campaign expenses period but must be recorded and disclosed as campaign expenses in accordance with the provisions of this Bylaw."

and

That a letter be written to the Provincial Government requesting a review of the penalties under The Cities Act for consideration of a distinction between breaches of the bylaw that are as a result of corrupt practices vs. as a result of procedural errors or contraventions.

DISCUSSION/ANALYSIS

The Bylaw includes all amendments directed by City Council, including revisions to all schedules to ensure clarity, consistency and thoroughness.

In addition to the amendments directed by City Council, other housekeeping amendments have been included to provide further clarity for future elections. These amendments have been included in response to questions that were received from candidates during the 2020 election process and issues identified by the Returning Officer. The housekeeping amendments include:

- clarifying the definition of "campaign contribution" to include "personal contributions" and defining the same;
- clarifying the definition of "campaign expense" to include credit card fees associated with accepting a campaign contribution, expressions of appreciation by candidates after the close of voting on election day and excluding the repayment of a loan excepting interest;
- removing the requirement that campaign expenses must be made by cheque;
- clarifying that contributors shall be identified by first and last name or organization;
- clarifying that a candidate's Statutory Declaration must be signed by a Justice of the Peace, Notary Public or Commissioner of Oaths; and
- adding a Table of Contents for ease of reference.

The amendments responsive to candidate inquiries reflect the interpretation that was relied on in answering the inquiries when received.

In addition to inquiries that have been addressed by the proposed amendments, one further inquiry was received that is substantive in nature and requires direction from City Council. During the 2020 election process, the Returning Officer was asked about the rules for receiving campaign contributions from out of country. Bylaw 8491 is silent as to the receipt of campaign contributions from outside of the province or country. Absent specific rules, in answer to this question last election cycle, the Returning Officer permitted the campaign contribution and required reporting of the amount as converted to Canadian dollars. Our Office is seeking direction as to whether City Council wishes to specifically address this issue in Bylaw 8491. Research indicates that the City of Regina's bylaw is silent on this issue. The cities of Winnipeg, Calgary, Edmonton and Toronto all restrict the receipt of campaign contributions to those from persons ordinarily resident in the province. The rules for the province of British Columbia contain a similar

restriction. Further amendments to Bylaw 8491 are anticipated and such an amendment could be addressed at that time.

Finally, we remain aware of the issue raised after the 2020 election regarding the timelines contained in Bylaw 8491 and in Policy No. C01-027, *The Communications and Constituency Relations Allowance Policy* in relation to "election day". Once further information as to whether "election day" will be changed for the next civic election is received, this issue will be revisited and amendments to Bylaw 8491 and Policy No. C01-027 considered.

In accordance with City Council's instructions, we are pleased to submit the Bylaw for City Council's consideration.

NEXT STEPS

Further amendments to Bylaw 8491 and Policy No. C01-027 will be contemplated when information related to potential legislative changes to *The Local Government Election Act*, 2015 becomes available.

APPENDIX

1. Proposed Bylaw No. 9830, *The Campaign Disclosure and Spending Limits Amendment Bylaw, 2022*

Report Approval

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