

**Regular Meeting of the Cincinnati Elections Commission
Minutes of May 12, 2022**

CEC members present: Marcus Bethay, Constance Hill, and Terry Rath

City representatives present: Laura Hayslip, Law; Christopher Liu, Law; Teninnah Ross, Law; Linda Smith, Law

Old Business:

1. Approval of March 10, meeting minutes.

Mr. Bethay moved for approval of the March 10, 2022 minutes, and Ms. Hill seconded. A vote was taken, and the March 10, 2022, minutes were approved unanimously.

New Business:

I. Introduction of the Cincinnati Municipal Code Chapter 119

Mr. Liu reported the following:

The new CMC 119 is a new area of law enacted to provide additional transparency to the economic process and to help identify improper campaign contributions. The Cincinnati City Council gave authority to The Cincinnati Elections Commission to investigate potential violations and conduct hearings. Since this is an added responsibility, the CEC will need to explore how to implement these rules and responsibilities under the CMC.

When a person or entity wants to business with the City of Cincinnati, a disclosure form must be filled out. Anyone who is disclosed on that list would go on the City Business List that includes all current projects. Once the project takes the form of legislation and requires a vote of council or committee, the project will move from the City Business List to the Temporary Prohibition List. During the time the project is on Temporary Prohibition List, no members of council or mayor's office can accept a donation from the developer. If there is a violation and no correction is made, a complaint or investigation could yield a Cincinnati Elections Commission action. The CEC will have the option to conduct a hearing and decide if there was a violation and whether to impose a fine.

There are three ways for a person to violate the rules:

1. Accepting a contribution from an entity or business that is on the Temporary Prohibition List.
2. An improper contribution was accepted, and no steps were taken to correct the improper action.
3. Failure of the applicant to furnish truthful and accurate information to the City of Cincinnati.

The Office of Economics and Good Government will review the City Business List and also any complaints brought to EGG. If there is a potential violation, the Clerk of Council will be notified and council will have the option to table the legislation and wait for a decision from the CEC or move forward.

The fine structure is different from normal CEC fines. Each violation that is demonstrated could carry a \$500 civil penalty. This fine can increase to \$1,250 if the matter is found to be delinquent or if other circumstances are presented. The current CEC rules do not currently contemplate the new process and procedure that has been enacted by CMC Chapter 119.

Mr. Liu further explained the current outreach being conducted to the various groups including the Chamber of Commerce's, Economic Development Corporations and applicants. There will two open house workshops on May 20th and May 23rd. The purpose of these meetings is to explain roles and responsibilities and assist in the navigation of this new process.

The Applicant Disclosure Form is available online and in paper form. The website is live and includes resources on moving through the process. There is also a list of FAQs to assist with related questions.

With this new legislative enactment, this may increase the exposure of the CEC and number of hearings. Mr. Liu opened the floor for questions.

Mr. Rath opened discussions with a few clarifying questions. Does current city council members and candidates will need to review the Temporary Prohibition List on a regular basis? Mr. Liu clarified that only elected officials will need to review current legislative items that have to be voted on.

Ms. Hill asked if the current legislation is retroactive. Mr. Liu explained that it is not retroactive and will include actions after the enactment of the legislation on May 26, 2022.

Mr. Rath asked does the projects have to be before council or does it include projects going through zoning or other city departments? Mr. Liu explained that it currently only applies to matters that would go to city council for approval. Typical matters include development incentives greater than \$100,000, sale of city property over \$200,000 or any zoning change. Mr. Liu also added that city council has the authority to expand the scope of this.

II. Discussion of the Proposed Amendment to the CEC Rules

Mr. Liu opened the discussion for the proposed amendment to the CEC rules. He also added that through an email communication, Chair Walsh would like to have the CEC review the changes to the CEC rules and put together a clean copy and a summary of the changes. These rules and proposed changes can be posted online for public review and comment for 30 days. Any public comment can be reviewed at the next meeting on June 9, 2022 and make a decision to vote for new rules or make additional changes. Mr. Liu deferred to the CEC for vote on this matter.

Mr. Rath added that he has reviewed the markup and agrees to move forward on the discussion of the proposed changes to the CEC rules.

Mr. Liu began to discuss the proposed CEC changes.

1. Rule 2 and Rule 3 corrects the direction from the City of Cincinnati main web page to the available CEC websites.
2. Page 2 changes rule #8 to include an update that reflects CMC 101 which allows for remote meetings.

3. Rule #9 is a website update to reflect the posting of agendas and links to participate in hearings making this as accessible as possible.
4. Rule #13's proposed change is to have the candidates use the spreadsheets available by the Law department that are easily unloadable to the campaign database. Although this is the preference, Excel spreadsheets are still accepted. The last paragraph of Rule #13 included significant revisions. It previously stated that the CEC will not accept any commission that is not made on a form that has been promulgated by the Secretary of State of approved by the Board of Elections. This has not been the practice of the CEC and the rule should more accurately reflect the permissive nature that is warranted.
5. Rule #15 includes a proposed change to add the best way to contact or submit information is through electronic form. An email and fax have been included in the proposed rule change.
6. Rule #17's proposed change is substantive. The proposed change would amend the current rules that would allow current City of Cincinnati elected officials who run for non-city elected office to submit the same campaign finance reports in the same manner they would submit city reports.

Mr. Liu opened discussion to the proposed rule changes. Mr. Bethay asked if there is a software available than filling out an Excel spreadsheet. Mr. Liu explained that the City of Cincinnati Law Department has a CEC website that has the capability to submit the information directly into the portal. Mr. Liu would like to have workshops to show the requirements of the CEC and walk them through the CEC's technology platform. Mr. Liu added that the rules should include that the website does have login capability that will allow people to enter their own campaign finance information.

Mr. Rath referred back to Rule #17 to seek clarification for submission of state and federal documents and contribution list to the CEC. Mr. Liu clarified that that is the desire. Mr. Liu also added that if a person is running for an office while holding another official position, the candidate is only allowed to have one open campaign at a time.

Mr. Liu began further discussion on the second half of the rules.

7. Rule #20 proposed changes would include that not only to the commission members look at the reports, but also EGG and other members of the Law Department. Anyone should be allowed to point out a violation outside of the CEC. Another proposed change includes adding Chapter 119 that includes the City Business List and new violations that can occur
8. Rule #21 would also include those updates and reflect the current process
9. Rule #23 governs how to conduct a hearing when it is initiated by a third-party complainant and the proposed change would add Rule #24 that would allow a complaint initiated through the CEC. A provision was added that talks about voting on whether to conduct a hearing. There should be a vote to decide if a hearing should be conducted.
10. Rule #27 was adjusted at the suggestion of Mr. Walsh that there should be some recognition of the CEC's approach to find a violation and whether to impose a fine. The suggestion is that decision to vote for a violation and the decision to impose a civil fine should be done in separate votes and the commission should observe leniency for new campaigns.
11. Rule #30 (previously Rule #29) amended the statement that if a crime is committed, there are still liable for any criminal activity.

Mr. Liu opened the floor for discussion. Mr. Rath sought clarification for the direction of the changes of the CEC rules. Mr. Liu answered that the next meeting the summary of the changes will be posted online and allow public comment. The next meeting of the CEC will present the new rules and any public comments. If satisfied the CEC can vote to accept the changes.

Mr. Rath asked is there any further questions. No further questions were asked. Mr. Liu added that all points of discussion will be included in the changes and will be posted online for public outreach.

Mr. Rath asked for a motion to approve. Mr. Bethay motioned to approve and Ms, Hill seconded the motion.

Next meeting:

The next meeting is scheduled for June 9, 2022 at 4:00 p.m.

Meeting Adjourned:

The meeting was adjourned at 4:50 p.m.