# Campaign Finance Regulatory Update

#### Effective May 5, 2024

## Amendments to Board Regulation No. 1

Recently approved amendments to Board Regulation No. 1 (Campaign Finance) are effective as of May 5, 2024. These amendments clarify and update several areas of the City's rules on campaign finance.

#### **Coordinated Expenditures**

The rules for coordinated expenditures have been reorganized to increase readability and clarity. Revised Subpart I now includes:

- an overview of the relationship between coordination and contribution limits;
- an explanation of pre-candidacy coordination;
- a list of people with whom coordination may occur;
- descriptions of conduct constituting coordination;
- a separate paragraph explaining how fundraising in the 12 months before a covered election may result in coordinated expenditures; and
- an explanation of how coordination and resulting expenditures will be attributed to organizations and those who fund them.

Related definitions were also updated consistent with the changes to Subpart I.

### Continued summary of Amendments to Board Regulation No. 1

#### **Special Committees: Litigation Fund**

The amendments clarify that funds can be transferred from a candidate political committee to a litigation fund committee (but not vice versa) and explain when such a committee can be established. Additional updates were made for consistency with the City Code, including specifying that such committees are political committees.

### **Special Committees: Transition & Inauguration**

The rules for Transition & Inauguration (T&I) committees were updated to clarify that:

- all contributions and expenditures for transition or inauguration must be made through a T&I committee;
- a T&I committee is a political committee;
- funds can be transferred from a candidate political committee to a T&I committee (but not vice versa);
- T&I funds cannot be used for durable goods or real property;
- incumbents can raise or spend funds only for inauguration (not transition); and
- a T&I committee may be established at any time after someone becomes a candidate under City law.

The amendment also provides examples of fees and costs associated with transition and inauguration.

### **Contribution Limits: Doubling**

The amendments clarify that pre-candidacy self-funding counts toward the \$250,000 threshold for doubling. The amendments also update the process for notifying the Board and clarify that the doubled limits are effective upon the Board's public announcement.

# Continued summary of **Amendments to Board Regulation No. 1**

### **Contribution Limits: Quadrennial Adjustment**

The amended regulation updates the contribution limits to reflect the adjusted amounts certified by the Finance Director for 2024. The limits were updated throughout the regulation as follows:

- Individuals \$3,700 (previously \$3,100)
- Political committees, partnerships, sole proprietorships, and other organizations \$14,800 (previously \$12,600)

These amounts are updated every four years based on the Consumer Price Index.

#### Resources

- Final Regulation: ethics.pub/Reg1 Hearing Report: ethics.pub/R1Rpt24 Full Comparison: ethics.pub/R1Line24
- Ask for Advice: BOEGCStaff@phila.gov
- Main Website: ethics.pub Campaign Finance Guide: ethics.pub/CFGuide
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