



CONSENT CALENDAR  
March 30, 2021

To: Honorable Mayor and Members of the City Council  
From: Councilmembers Rigel Robinson and Sophie Hahn  
Subject: Support for AB 20: Corporate-Free Elections Act

### RECOMMENDATION

Send a letter to Assemblymember Alex Lee, Assemblymember Buffy Wicks, and Senator Nancy Skinner in support of Assembly Bill 20, which would prohibit business entities from making campaign contributions to candidates running for elective office.

### BACKGROUND

On December 7, 2020, Assemblymember Alex Lee introduced AB 20, which would prohibit business entities from making campaign contributions to those running for elective office, and would likewise prohibit those running from accepting such contributions.

The Political Reform Act of 1974 was initially introduced as Proposition 9 on the ballot in June of 1974. Under current campaign finance laws, both state and national, elected representatives are far too frequently beholden to wealthy corporate campaign donors rather than their own constituents. Given the profit-maximizing nature of corporations, corporate interventions in the political system are inevitably undertaken with the goal of subverting public policy to minimize costs and maximize revenues.

This motive is evident from excessive corporate spending on campaign contributions. The Center for Responsive Politics reported that 2020 saw unprecedented levels of campaign contributions, passing \$14 billion — double the amount spent on the previous presidential election cycle.<sup>1</sup> In California, the trend was replicated: \$785 million was spent on ballot measures alone, and millions more on individual candidates. Notably, the app-based driving services Lyft, Uber, DoorDash, and Postmates broke records with a \$205 million contribution to the “Yes on 22” campaign with the effect of the industry effectively purchasing its own regulatory scheme.<sup>2</sup>

The average Californian cannot afford to contribute to state legislative races in amounts comparable to large corporate campaign donors, if at all. This places their concerns below those of the companies that are able to fund successful campaigns. Californian voters have consistently opposed this kind of conflict of interest in campaign finance. In 2000,

<sup>1</sup> <https://www.opensecrets.org/news/2020/10/cost-of-2020-election-14billion-update/>

<sup>2</sup> <https://www.mercurynews.com/2020/11/07/how-much-was-your-vote-worth-in-californias-ballot-measure-battles/>

Californians voted in favor of Proposition 34, which set a limit on donations to California State Legislature candidates, statewide elective offices, and political parties.<sup>3</sup> Despite broad and continual support among Californians for efforts to curb big money in politics, its influence persists today.

The Legislature can hold itself accountable by prohibiting direct contributions from corporations to political campaigns in California, as 22 other states have done in their own campaign finance laws.<sup>4</sup> Here in Berkeley, the Berkeley Election Reform Act has already established a ban on campaign contributions by corporations and other organizations and business entities (BMC 2.12.440).<sup>5</sup> The City of Berkeley should support AB 20's goal of expanding this good government measure to the State of California.

#### FINANCIAL IMPLICATIONS

None.

#### ENVIRONMENTAL SUSTAINABILITY

No impact.

#### CONTACT PERSON

Councilmember Rigel Robinson, (510) 981-7170  
Elly Hudson, Intern

#### Attachments:

- 1: Letter of support
- 2: Bill text

[https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202120220AB20](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB20)

---

<sup>3</sup> [https://ballotpedia.org/California\\_Proposition\\_34,\\_Limits\\_on\\_Campaign\\_Contributions\\_\(2000\)](https://ballotpedia.org/California_Proposition_34,_Limits_on_Campaign_Contributions_(2000))

<sup>4</sup> <https://www.ncsl.org/research/elections-and-campaigns/campaign-contribution-limits-overview.aspx>

<sup>5</sup> [https://www.cityofberkeley.info/Clerk/Elections/Election\\_Campaign\\_Information.aspx](https://www.cityofberkeley.info/Clerk/Elections/Election_Campaign_Information.aspx)

March 30, 2021

The Honorable Alex Lee  
California State Assembly  
State Capitol, Room 2170  
Sacramento, CA 95814

**RE: City of Berkeley's Support for Assembly Bill 20**

Dear Assemblymember Alex Lee,

The Berkeley City Council would like to express its full support for Assembly Bill 20, which would take significant steps towards making elections more fair and transparent, thus giving constituents more confidence in their representatives and our democratic institutions.

It is clear in California and across the country that corporations can easily influence policy decisions through large campaign contributions. This influence poses a serious threat to a well-functioning democracy, putting a price tag on political engagement and making it inaccessible to the majority of Californians.

Through the Berkeley Election Reform Act, the City of Berkeley has already instituted a ban on political campaign contributions from corporations. The Council hopes that this good government measure can be extended to apply to candidates for elective office across the state of California.

The Berkeley City Council supports AB 20 and thanks you for taking the lead on this important issue.

Sincerely,

The Berkeley City Council

CC: Senator Nancy Skinner  
Assemblymember Buffy Wicks

