

City of Mississauga

Corporate Report



Date: 1/13/2020

To: Chair and Members of Governance Committee

From: Diana Rusnov, Director, Legislative Services and City Clerk

Originator's files:

Meeting date:
1/28/2020

Subject

City of Mississauga's 2022 Election Campaign Contribution Rebate Program

Recommendation

1. That Governance Committee provide direction to the City Clerk on the following items related to the City of Mississauga's Election Campaign Contribution Rebate Program:
 - a. the percentage amount an eligible contributor can receive as a rebate on their contribution
 - b. the minimum campaign contribution eligible for a rebate; and
 - c. the maximum rebate an eligible contributor can receive on their contribution
2. That any necessary changes be made to the City of Mississauga's Election Campaign Contribution Rebate Program by-law, By-law numbers 0067-2017 and 0063-2018.
3. That the necessary funds be transferred into the Election Reserve to cover the cost of the 2022 Election Campaign Contribution Rebate Program payouts and that the amount required to cover the cost of the program be transferred into the Election Reserve for future General Elections and By-elections until such time that Council adopts a new formula.

Report Highlights

- The City of Mississauga's Election Campaign Contribution Rebate program (rebate program) was established by By-law 0067-2017 (Appendix 1) and By-law 0063-2018 (Appendix 2) ahead of the 2018 Municipal Election.
- The current rebate program rules allow eligible contributors that contribute \$25 or more to receive a rebate of 25% percent of their contribution up to a total amount of \$150.
- The City Clerk is seeking direction on the rebate formula to be used for the rebate program for the 2022 Municipal Election.
- The City Clerk is responding to comments and suggestions received with respect to the administrative processes related to the rebate program.

Background

In 2017, under the authority of section 88.11 of the *Municipal Elections Act, 1996* (MEA), By-law 0067-2017 established the City of Mississauga's Campaign Contribution Rebate Program.

Candidate and contributor eligibility requirements and responsibilities are as follows:

- candidates had to:
 - be running for office of Ward Councillor or Mayor
 - enroll in the rebate program by completing a registration form
 - follow the campaign finance rules in the MEA
 - complete an Contribution Rebate Receipt for each contribution received that was eligible for a rebate
 - provide a copy of the receipt to the contributor
 - retain a copy of the receipt for their campaign records
 - provide a copy of the receipt to the Office of the City Clerk by the deadline noted on the receipt
- contributors had to:
 - be eligible to vote in the 2018 Mississauga Municipal Election
 - be a resident of the City of Mississauga
 - not be a candidate or the spouse or child of a candidate
 - follow the contribution rules in the MEA
 - sign the Contribution Rebate Receipt
 - request their rebate by submitting a copy of their receipt to the Office of the City Clerk in person, via post or via email by the deadline

Following the 2018 Municipal Election, approximately \$36,000 in rebates was paid out to contributors that met the requirements

The following statistics, comments and suggestions have been gathered through the 2018 Municipal Election Candidate Survey related to the rebate program:

Did you participate in the Campaign Contribution Rebate Program?		
Yes	32.43%	12 response total
No	67.57%	25 response total

Do you think the Campaign Contribution Rebate Program improved your ability to raise campaign funds?		
Yes	24.32%	9 response total
No	16.22%	6 response total
I did not participate	59.46%	22 response total

Would you like the City of Mississauga to continue offering the Campaign Contribution Rebate Program?		
Yes	70.27%	26 response total
No	29.73%	11 response total

Comments and suggestions made by survey respondents included:

- eliminating the carbon copy receipts in favour of electronic receipts
- making the process easier
- increasing the rebate amount that a contributor can receive
- making the rebates available through a federal or provincial income tax rebate

Staff took the above comments and suggestions into account when reviewing the rebate program rules and processes.

Comments

Rebate Formulas

Currently the City of Mississauga's rebate program allows rebates of 25% on campaign contributions of \$25 or more up to a total rebate of \$150. The following information has been gathered regarding the rebate formula used in other municipalities:

Municipality and Summary of Eligibility Rules	Minimum Contribution	Rebate Formula	Max. Rebate
Ajax -Limited to residents of the town of Ajax -Cannot be a candidate or the spouse or child of a candidate	\$20	75% of the total contribution	\$225
Markham -Limited to residents of the	\$50	\$50 — \$300: 75% of contribution to a maximum contribution rebate of	\$350

Province of Ontario		<p>\$225</p> <p>\$301 — \$550: \$225 plus 50% of the difference between the total contribution and \$300 to a maximum contribution rebate of \$350</p> <p>\$551 — \$1,200: \$350 rebate</p>	
<p>Mississauga</p> <p>-Limited to residents of the City of Mississauga</p> <p>- Cannot be a candidate or the spouse or child of a candidate</p>	\$25	25% of the total contribution	\$150
<p>Oakville</p> <p>-Limited to residents of the Town of Oakville</p> <p>-A candidate for an office on municipal council or their family member are not eligible to receive a rebate for contributions to that individual candidate's campaign</p>	\$100	50% of the total contribution	\$2,500
<p>Ottawa</p> <p>-Limited to residents of the Province of Ontario</p> <p>-Cannot be a candidate or the candidate's spouse or the candidate's dependent child</p>	\$25.01	<p>\$25.01 — \$100: 50% of the total contribution</p> <p>\$100 or more: \$50 plus 25% of the amount by which the contribution exceeds \$100</p>	\$75
<p>Toronto</p> <p>-Limited to residents of the Province of Ontario</p> <p>-Candidates must file an audited financial statement and a copy of the receipt issued for the contribution and a copy of all campaign expense invoices</p>	\$25.01	<p>Total contributions between \$25.01 and \$300: total contribution amount x 75%</p> <p>Total contributions over \$300 but not more than \$1,000: total contribution amount minus \$300 x 50% + \$225</p> <p>Total contributions over \$1,000: total contribution amount minus \$1,000 x 33 1/3% + \$575</p>	\$1,000
<p>Vaughan</p> <p>-Limited to residents of the City of Vaughan</p>	\$50	The lesser of 75% of the contribution or \$150	\$150

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-Cannot be the candidate or the spouse, sibling, grandparent, parent, child or grandchild of the candidate			
Whitby -Limited to residents of the Town of Whitby	\$25.00	25% of the total contribution	\$150

The following is the total amount municipalities paid out or, would pay out if the deadline for requesting a rebate had passed at the time this report was written:

Municipality	Amount <i>(numbers rounded)</i>
Mississauga	\$35,735
Ajax	\$20,000*
Markham	\$500,000
Oakville	\$100,000
Ottawa	\$100,000*
Toronto	Unavailable**
Vaughan	\$75,000
Whitby	\$7,800

**This number may increase as the deadline for requesting a rebate had not passed when the benchmarking was conducted.*

***2014 payout was \$4,000,000*

When comparing total payouts it's important to consider the impact of eligibility requirements related to residency on the total amount being paid. For example, formulas applied in municipalities where residents of the Province of Ontario are eligible for a rebate may result in a lower payout when applied in the City of Mississauga where the eligibility requirements are limited to residents of the municipality.

Staff are seeking direction from Governance Committee regarding the rebate formula that should be used going forward. The financial impact of the formulas is discussed in the Financial Impact section of this report.

Administrative Processes

As part of the rebate program review process and because of comments and suggestions received, the rebate program administrative procedures are being reviewed. Information related to other municipalities rebate program administrative processes is noted below:

Municipality	Receipt Type	Administrative Process for a Rebate to be Issued
Ajax	Carbon copy receipts	<ul style="list-style-type: none"> -Candidates provide a copy of the receipt to the contributor; and -Candidates retain a copy of the receipt for their records; and -Candidates provide a copy of the receipt to the Clerk's Office
Markham	Carbon copy receipts	<ul style="list-style-type: none"> -Candidates are required to provide a spreadsheet of their contributors when they file their Financial Statement and may be required to produce a copy of the contribution receipt; and -Candidates issue a carbon copy receipt to their contributors; and -Contributors apply for a rebate in person, via mail or via an electronic application receipt
Oakville	Carbon copy receipts	<ul style="list-style-type: none"> -Candidates keep a copy of the receipt; and -Candidates provide a copy of the receipt to the Clerk's Office; and -Candidates return any unused or voided receipts to the Clerk's Office; and -Contributors keep a copy of the receipt; and -Contributors provide a copy of the receipt to the Clerk's Office
Ottawa	Paper copies	<ul style="list-style-type: none"> -Candidates provide a paper copy of the rebate receipt to the Clerk's Office; and -Contributors provide a paper copy of the rebate receipt to the Clerk's Office; and -The two copies must match
Toronto	Uses both a three part hard copy receipt or an electronic receipt	<ul style="list-style-type: none"> -Candidates provide two copies of a completed receipt to their contributor -Candidates submit a copy of the rebate receipt when filing their Financial Statement; and -Contributors keep a copy of the receipt for their records; and -Contributors provide a copy of the receipt to the Clerk's Office
Vaughan	Carbon copy receipts	<ul style="list-style-type: none"> -Candidates provide contributors with two copies of the

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		receipt; and -Contributors submit one copy of the receipt along with a signed application receipt to the Clerk's Office; and -Candidates log their receipt numbers in their electronic financial filing which is checked with the contribution applications
Whitby	Paper form	-Candidates are provided with paper copies of the receipt form; and -Candidates submit all rebate forms to the Clerk's Office

Based on the processes used in other municipalities and the feedback received about the City of Mississauga's rebate program, staff are considering the following changes:

- eliminating the requirement that a contributor must apply for a rebate. This means only candidates would be required to submit the rebate receipt to the Elections Office although under section 88.22(1)(f) candidates would still be required to issue a contribution receipt to the contributor
- once a new Election information management system is procured, working with the vendor to potentially add an electronic rebate program receipts component
- if electronic receipts are possible, staff are considering the continued use of carbon copy receipts in addition to the electronic receipts, so that in instances where candidates need to issue a receipt and do not have access to a computer, they are still able to do so

Financial Impact

The financial impact that changes to the rebate program will have is dependent on a variety of factors. These factors include:

- the number of candidates that participate in the program during the 2022 election
- how many contributions participating candidates receive that are eligible for a rebate
- the amounts of the eligible contributions given to candidates

In the following chart, the rebate formulas used in other municipalities have been applied to the total number of contributions that were eligible for a rebate in the City of Mississauga. This is intended to provide an idea of the potential financial impact changing the rebate formula may have:

Municipality	Minimum Contribution	Formula Applied Based on City of Mississauga Eligibility Criteria	Rebates Payable when applied to the City of Mississauga
Ajax	\$20	75% of the total contribution To a maximum rebate of \$225	\$66,000
Markham	\$50	\$50 — \$300: 75% of contribution to a maximum contribution rebate of \$225 \$301 — \$550: \$225 plus 50% of the difference between the total contribution and \$300 to a maximum contribution rebate of \$350 \$551 — \$1,200: A \$350 contribution rebate is issued To a maximum rebate of \$350	\$90,000
Oakville	\$100	50% of the total contribution To a maximum rebate of \$2,500	\$99,000
Ottawa	\$25.01	\$25.01 – \$100: 50% of the total contribution \$100 or more: \$50 plus 25% of the amount by which the contribution exceeds \$100 To a maximum rebate of \$75	\$24,300
Toronto	\$25.01	Total contributions between \$25.01 and \$300: total contribution amount x 75% Total contributions over \$300 but not more than \$1,000: total contribution amount minus \$300 x 50% + \$225 Total contributions over \$1,000: total contribution amount minus \$1,000 x 33 1/3% + \$575 To a maximum rebate of \$1,000	\$117,600

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Vaughan	\$50	75% of the total contribution to a maximum rebate of \$150	\$47,500
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The final financial impact will be dependent on the rebate formula adopted and the factors noted above.

Conclusion

The Clerk is seeking direction regarding the rebate formula that should be used for the 2022 Municipal Election. Once the formula is approved by Council, the associated by law will be updated accordingly.

Attachments

Appendix 1: By-law 0067-2017 A by-law to Authorize the Implementation of a City of Mississauga Municipal Election Campaign Contribution Rebate Program for the 2018 Municipal Election

Appendix 2: By-law 0063-2018 A Housekeeping by-law to amend the Corporation of the City of Mississauga By-law 0067-2017 being a by-law to authorize the implementation of a City of Mississauga municipal election campaign contribution rebate program for the 2018 Municipal Election



Diana Rusnov, Director, Legislative Services and City Clerk

Prepared by: Gus Mangos, Elections Officer



Appendix 1

THE CORPORATION OF THE CITY OF MISSISSAUGA

BY-LAW NUMBER 0067-2017

A by-law to authorize the implementation of a City of Mississauga
Municipal Election Campaign Contribution Rebate Program for the
2018 Municipal Election

WHEREAS subsection 88.11(1) of the *Municipal Elections Act, 1996*, provides that a municipal council may pass a by-law authorizing the payment of rebates to individuals who make contributions to candidates for office on the municipal council;

AND WHEREAS subsection 88.11(3) of the *Municipal Elections Act 1996*, provides that the by-law enacted according to 88.11(1) shall establish the conditions under which an individual is entitled to a rebate;

AND WHEREAS on February 22, 2017 Council for the Corporation of the City of Mississauga approved General Committee recommendation GC-0051-2017 which recommends the implementation of a Municipal Election Campaign Contribution Rebate Program for the 2018 Mississauga Municipal Election;

NOW THEREFORE the Council of the Corporation of the City of Mississauga hereby ENACTS as follows:

DEFINITIONS

1. For the purposes of this By-law, "Election" shall mean the regular election according to the *Municipal Elections Act, 1996* as amended that takes place in 2018 in the City of Mississauga.

ELIGIBILITY FOR A REBATE

2. Notwithstanding Section 88.15 of the *Municipal Elections Act, 1996*, for the purposes of this By-law, only a contribution of money will be eligible for rebate.
3. In order to qualify for a rebate, an individual who makes a contribution must:
 - (a) reside in the City of Mississauga;
 - (b) be a Canadian citizen;
 - (c) be at least 18 years old;
 - (d) not be prohibited from voting according to subsection 17(3) of the *Municipal Elections Act, 1996*; and
 - (e) contribute between the time the candidate files his or her nomination and the day the candidate's campaign period ends.
4. Notwithstanding Section 3 of this By-law, the following are ineligible for a rebate:
 - (a) a candidate in the Election;
 - (b) any person who contributes to a candidate in the Election where the person contributing is the spouse or child of the candidate; and/or
 - (c) corporations.

APPLICATIONS TO THE CITY CLERK

5. An individual who makes a contribution to a candidate during the Election may apply to the City Clerk for a rebate.
6. Candidates must register for the Municipal Election Campaign Contribution Rebate Program by completing the registration form and agreeing to the terms and conditions of the Municipal Election Campaign Contribution Rebate Program in order for individuals who contribute to the candidate's campaign to be eligible for a rebate.
7. The City Clerk shall establish forms and procedures for the administration of this Municipal Election Campaign Contribution Rebate Program which shall include but not be limited to the timelines for when candidates and contributors shall register with the City Clerk to be eligible for participation in the Municipal Election Campaign Contribution Rebate Program.

ISSUANCE OF A REBATE

8. The City Clerk shall issue a rebate to an individual in accordance with Schedule "A" of this By-law if the following conditions are met:
 - (a) the individual has not been found to be in contravention of the *Municipal Elections Act, 1996*;
 - (b) the candidate to whom the contribution was made has enrolled in the Municipal Election Campaign Contribution Rebate Program with the City Clerk;
 - (c) the candidate to whom the contribution was made has filed all documents and paid any amounts as required under the *Municipal Elections Act, 1996* by the prescribed dates;
 - (d) the City Clerk is satisfied that the receipt for the contribution in question filed by the candidate to whom the contribution was made is bona fide; and
 - (e) the City Clerk is satisfied that the candidate to whom the contribution was made has not contravened the *Municipal Elections Act, 1996*.
9. In addition to section 8 of this By-law, the City Clerk shall issue a rebate:
 - (a) if the candidate to whom the contribution was made files his or her financial statement(s) in accordance with the *Municipal Elections Act, 1996* and if no compliance audit request is received for the candidate to whom the contribution was paid:
 - (i) after the compliance audit request deadline has passed following the primary financial filing deadline; or
 - (ii) if the candidate to whom the contribution was made extends his or her campaign period, after the compliance audit request deadline has passed following the supplementary financial filing deadline.

OR

 - (b) if a compliance audit request is received and:
 - (i) the Election Campaign Finances Committee finds that the candidate was not in contravention of the *Municipal Elections Act, 1996* and no forensic audit is ordered; or
 - (ii) the Election Campaign Finances Committee orders a forensic audit and the auditor finds that the candidate was not in contravention of the *Municipal Elections Act, 1996*.
10. The amount of the rebate shall be calculated as per Schedule "A" attached hereto and forming part of this By-law.
11. The City Clerk may delegate any and all duties available according to this By-law.

ENACTED and PASSED this 24 day of April May, 2017.

APPROVED AS TO FORM City Solicitor MISSISSAUGA			
R. Genoway			
Date	2017	05	15

Bonnie Crombie
MAYOR

Carolyn Chen
CLERK

AMENDED BY BY-LAW	
63-18	

SCHEDULE "A"

CALCULATION OF REBATE

Rebates for contributions to a candidate running for the offices of ward councillor or mayor in the City of Mississauga will be calculated as follows:

1. A minimum contribution of \$25.00 is required to be eligible for a rebate.
2. A contributor shall receive 25% of their total contribution(s) over \$25.00, up to a maximum rebate of \$150.00.
3. An individual who makes multiple contributions over \$25 within the contribution limits of the *Municipal Elections Act, 1996*, may receive a rebate in respect to the total of the contributions, but is not entitled to receive a total rebate amounting to more than the maximum allowable under Schedule "A".
4. If a contributor makes multiple donations of less than the minimum requirement of \$25.00, but the total contribution for the multiple donations is equal to or greater than the \$25.00 minimum, the contributions are ineligible for rebate.



THE CORPORATION OF THE CITY OF MISSISSAUGA

BY-LAW NUMBER 0063-2018

A Housekeeping by-law to amend the Corporation of the City of Mississauga By-law 0067-2017 being a by-law to authorize the implementation of a City of Mississauga municipal election campaign contribution rebate program for the 2018 municipal election

WHEREAS on February 22, 2017, Council for the Corporation of Mississauga approved General Committee recommendation 0051-2017 to implement a municipal election campaign contribution rebate program for the 2018 municipal election based on a minimum contribution of 25 dollars;

AND WHEREAS on May 24, 2017 Council for the Corporation of Mississauga enacted and passed a by-law to authorize the rebate program (the "Rebate By-law");

AND WHEREAS Council wishes to enact a housekeeping by-law to amend the Rebate By-law to clarify the contribution eligibility for the rebate program according to General Committee recommendation 0051-2017;

NOW THEREFORE the Council of The Corporation of the City of Mississauga hereby ENACTS as follows:

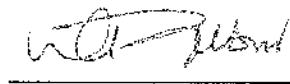
THAT By-law 0067-2017 is hereby amended as follows:

- 1. That section 2 of Schedule "A" is hereby amended by deleting the words "over \$25.00" and replacing it with "of \$25.00 or more".
- 2. That section 3 of Schedule "A" is hereby amended by deleting the words "over \$25.00" and replacing it with "of \$25.00 or more".

ENACTED AND PASSED this 11 day of April, 2018.

APPROVED AS TO FORM City Solicitor MISSISSAUGA			
L. Gendreau			
Date	2018	04	04


MAYOR


CLERK