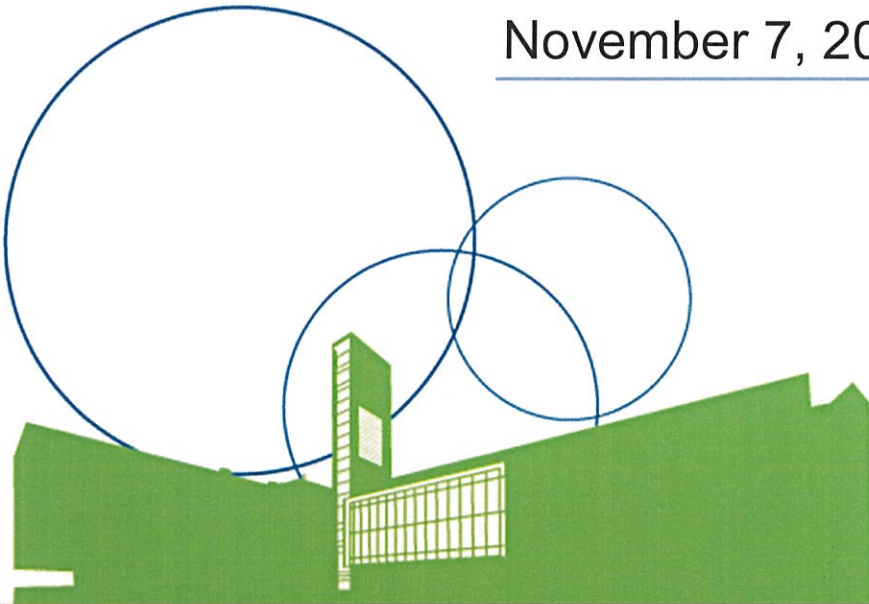


Bill 181 – The Municipal Elections Modernization Act

Committee of the Whole Working Session

November 7, 2016



Bill 181 – The Municipal Elections Modernization Act

Purpose of the Report:

- To provide an overview of significant changes to the Municipal Elections Act (MEA) contained in Bill 181;
- To outline matters to be considered regarding the option of ranked ballot elections.



Bill 181 - Overview

- *Bill 181 – The Municipal Elections Modernization Act* (the “Bill”) received Royal Assent June 9, 2016.
- The Bill is the most significant update to the *Municipal Elections Act* and the conduct of municipal elections in Ontario in recent memory;
- The Bill was developed following an extensive, year-long consultation process;
- Legislative changes will be in effect for the 2018 municipal and school board elections; companion regulations are still being developed;
- Several challenges identified in implementing legislative changes.



Key Changes Introduced in Bill 181

- Shortened municipal nomination period
- Changes to the nomination process
- Banning of corporation and trade union donations (Council and School Board candidates)
- New campaign finance compliance rules
- Regulation of Third Party Advertising
- Ranked Ballot Option



Shortened Municipal Nomination Period

Previous Legislation:

- Nomination Period ran from January 2nd to mid-September (Nomination Day)

New Legislation:

- Nomination Period runs from May 1st until the fourth Friday in July (Nomination Day – July 27, 2018 for the 2018 Municipal Election)
- This has shortened the nomination period from 37 weeks to 13 weeks.



Changes to the Nomination Process

Requirement for 25 Endorsements:

- Candidates for Council must obtain 25 endorsement signatures from eligible electors, to be filed with their nomination;
- Persons signing the endorsement must be eligible to vote for the office on the day that they endorse the nomination;
- Does not apply to candidates for School Board;



Banning corporation and trade union contributions (Council and School Board candidates)

- An initial draft of Bill 181 proposed to provide municipalities with the OPTION to prohibit these contributions;
- May 2016 – Minister announced that Bill 181 would be revised to prohibit corporate/trade union donations to candidates altogether;
- The ban on contributions by corporations and trade unions does not apply to third party campaigns.



New campaign finance compliance rules

- Bill proposes a new spending limit for parties and expressions of appreciation after voting day (proposed to be maximum of 10% of total expenses);
- After the 2018 election, campaign deficits will not be carried forward from the previous campaign;
- Candidates will be required to inform contributors of contribution limits; Individuals who over-contribute are subject to fines;
- Clerk now required to review financial statements to determine whether any contributor has exceeded the contribution limits, and report same to the Compliance Audit Committee as soon as possible after the filing deadline;



New campaign finance compliance rules

- A candidate will not have to open a bank account if they do not raise or spend money;
- Anonymous and cash contributions cannot exceed \$25;
- Candidate advertising and signs must identify the candidate;
- Broadcaster/Publisher must be provided with the following: candidate name, and the name, business address, telephone number of the individual dealing with the Broadcaster/Publisher.



New campaign finance compliance rules

- A candidate may now resubmit a financial statement to correct an error up until the filing deadline;
- Clerk required to release report naming candidates in default;
- Nomination Fee— now refunded only if Financial Statement is filed on time;
- Candidates are given a 30 day “grace period” within which they can file if they pay a \$500 late filing fee (no refund of Nomination Fee);



Regulation of Third Party Advertising

Third Party Advertising - Definition

- An advertisement in any medium that has the purpose of promoting or supporting or opposing a candidate(s) or a “yes” or “no” answer to a question on the ballot.
- Does not include:
 - an advertisement by or under the direction of a candidate;
 - where no expenses are incurred by the person/entity in relation to the advertisement;
 - when given or transmitted by an individual to employees, by a corporation to its shareholders, directors, members or employees or by a trade union to its members or employees



Regulation of Third Party Advertising

Eligibility for Registration as Third Party Advertiser

- Individuals, corporations or trade unions, if they formally register with local clerk as a 3rd party advertiser;
- Registrations accepted between 1st day for filing nominations (May 1st) and the Friday before Voting Day (October 19, 2018) in regular election
- NOT permitted to register:
 - Municipal election candidates
 - Federal and Provincial political parties, constituency associations, registered candidates and leadership contestants
 - Federal and Provincial government, a municipality or local board



Regulation of Third Party Advertising

Third Party Advertising Requirements:

- Must be registered at time of advertisement;
- Ad must contain:
 - Name of registered 3rd party
 - The municipality where the 3rd party is registered
 - A telephone #, mailing address or email address at which the 3rd party may be contacted regarding the ad:
- Broadcaster/publisher retains records of above, copy of the ad/means of reproducing it and the cost, for 4 years after the date of appearance and permit inspection during normal business hours



Regulation of Third Party Advertising

Third Party Advertising Requirements:

- Contributions
 - Cannot made or accepted unless registered as a 3rd party
 - Same contribution limits as for candidates: \$750 per registered third party and maximum of \$5,000 total for registered third parties in the municipality.
- Expenses
 - Subject to maximum expense limit (a prescribed formula based on the number electors entitled to vote)
 - Required to record expenses and file a financial statement



Regulation of Third Party Advertising

Third Party Advertising Requirements:

- Municipality may require the following to remove or discontinue the advertising:
 - a person who contravened the provisions for 3rd party advertisers or caused/permitted the contravention;
 - the owner or occupier of the land on which the contravention occurred;
- Similar penalties as candidates for financial statement defaults



Ranked Ballot Option

- Municipalities have the option of using ranked ballots for municipal council candidates starting in 2018;
- If used, must be used for all municipal council candidates. Not an option for school board candidates;
- Allows a voter to rank candidates in order of preference – 1st choice, 2nd choice, 3rd choice - instead of just voting for one candidate in “1st past the post” system;
- Default is 3 rankings but by-law could specify different number;
- If ranked ballots used for regular election, must also used for by-election



Ranked Ballot Option

- **Single-member ranked ballot elections** - sometimes referred to as Ranked Choice Voting (RCV) – only one candidate will win (eg. Mayor, Ward Councillor);
- **Multi-member ranked ballot elections** - sometimes referred to as Single Transferrable Vote (STV) – more than one candidate will win a seat (eg. Local and Regional Councillor);
- May be multiple rounds of counting before a candidate is declared the winner;
- Electors do not have to rank the maximum number.



Ranked Ballot Option

Ranked Ballot Voting –

Final Regulations only recently enacted (September 16, 2016)

- Complicated;
- Difficult to describe;
- Used in only a handful of municipal jurisdictions in the US, and in Canada for political party leadership races;
- Instructional video(s) produced by the City of Minneapolis – frequently cited as an example to illustrate ranked balloting.



Ranked Ballot Option – Single Member



19

Ranked Ballot Option – Multi-Member



20

Ranked Ballot Timelines

- For 2018 election, by-law must be passed **no later than May 1, 2017**
- Open House held at least 15 days prior to Public Meeting
- Notice of Open House and Public Meeting provided 30 days prior to each
- Open house + public meeting to provide the following information:
 - detailed description of vote counting;
 - estimated costs of conducting the election;
 - any voting and vote-counting equipment or alternative voting method being considered for use in the election



Ranked Ballot Consultation Requirements

Before passing by-law, Council must give consideration to:

- The public interest;
- The costs to the municipality of conducting the elections;
- The availability of technology, such as voting equipment and vote counting equipment and software, for conducting the elections; and
- Administrative practices and procedures that would be required to conduct the elections



Ranked Ballot

Administrative and Financial Risks

- Potential voter confusion;
- Limited jurisdictional experience & knowledge of benefits and risks;
- Implementation costs (Minimum 50% increase in total election costs):
 - Public consultation
 - Public education/communication
 - Training and staffing
 - Ballots
 - Logic and accuracy testing
- None of the literature or experience to date demonstrates that ranked ballots result in better forms of governance.



Summary and Next Steps

- Substantial number of changes made to the Municipal Elections Act will require changes to municipal election administration;
- RFP will soon be issued for selection and implementation of new voting technology; staff efforts will be focused on implementing this technology and other improvements for 2018;
- Results of ward boundary review also to be implemented;
- Information and training will be made available for candidates in advance of the 2018 Municipal Election.

