



ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input checked="" type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input checked="" type="checkbox"/> Other Council Business

Prepared By: Martin R. Erickson *MRE*Agenda Item No. N-2Reviewed By: City Manager *JMK*City Attorney *mt*Finance *JL*

Other (Specify) _____

DATE: June 19, 2012**TO:** City Council**FROM:** Martin R. Erickson, Special Assistant to the City Manager
City Manager's Office

SUBJECT: Opposition to "Corporate Personhood"**RECOMMENDATION**

That City Council:

1. Adopt a resolution supporting an amendment to the U.S. Constitution to end "Corporate Personhood."
2. Authorize the City Council to send letter to Senators Boxer and Feinstein, and Congresswoman Capps seeking an Amendment to the U.S. Constitution to end "Corporate Personhood."

DISCUSSION

A group of local supporters of a grassroots effort called "Move to Amend" has attended several City Council meetings bringing the issue of "Corporate Personhood" to City Council's attention during public comments. At the June 12 City Council meeting, City Council directed the Interim City Manager to bring the issue back to the City Council.

Pursuant to the City's Legislative Program, issues that are beyond the program's scope of "local control" and "local funding" are reviewed by the City Council for consideration and action.

Definition

Essentially, "Corporate Personhood" refers to the notion that corporations have some of the same rights, such as free speech under the U. S. Constitution, as that of a human being /individual. Opponents of this concept argue that people and businesses, especially wealthy corporations are not equal and should not have the same rights. Supporters of corporate personhood suggest that people run corporations and corporations are made up of people, thus they should be entitled to the same rights as an individual.

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Supreme Court Ruling 2010

On January 21, 2010, the Supreme Court ruling on *Citizens United v. Federal Election Commission*, in which the high court majority held that corporations, as associations of individuals, have the same speech rights under the First Amendment as a human being. This landmark decision by the United States Supreme Court held that the First Amendment prohibited the government from restricting political expenditures by corporations and unions. In a 5-4 split decision the Supreme Court held that the First Amendment must protect speakers with equal vigor. The Supreme Court held that the First Amendment does not tolerate prohibitions of speech based on the identity of the speaker. Because corporations are groups of individuals, the corporate form must receive the same free speech privileges as individual citizens. Likewise, the Supreme Court reasoned that independent expenditures are a form of speech, and limiting a corporation's ability to spend money also limits its ability to speak.

Advent of Super PACs

Prior to the Supreme Court ruling, Congress in 1974 set limits on contributions to Political Action Committees (PACs) and established the Federal Election Commission FEC.

In brief, FEC rules include:

- A limit for individuals to \$ 5,000 per year for Federal PACs;
- Corporations and unions may not contribute directly to federal PACs, but can fund the administrative costs of a PAC affiliated with the specific corporation or union; Corporate - affiliated PACs may only solicit contributions from executives, shareholders, and their families;
- Contributions from corporate or labor union treasuries are illegal, though they may sponsor a PAC and provide financial support for its administration and fundraising;
- Union-affiliated PACs may only solicit contributions from members;
- Independent PACs may solicit contributions from the general public and pay their own costs.

After the *Citizens United* ruling, corporations -- under the notion of corporate personhood -- were allowed to spend unlimited amounts on political campaigns under the auspices of the First Amendment. This drove the creation of the Super PAC or political committees that may raise and spend unlimited money to independently support or oppose a candidate.

Super PACs:

- may support particular candidates
- are not allowed to coordinate directly with candidates or political parties

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- can raise funds from corporations, unions and other groups, and from individuals, without legal limits

Super PACs currently operate in federal elections, particularly the 2012 Presidential elections. There are concerns that they can eventually be used to influence and target congressional elections, and ultimately local elections.

Amendment to Constitution

The suggested way to abolish "Corporate Personhood," would be to call for an amendment to the Constitution. Article V of the U. S. Constitution states that amendments must be proposed through both the Senate and House of Representatives, supermajority (two-third) vote. Once a proposed amendment passes Congress, it goes to individual states for approval. The amendment must be ratified by 3/4ths of the states to pass.

A second method prescribed in Article V is for a Constitutional Convention to be ralled by two-thirds of the legislature of the states to propose an amendment. The amendment proposed by the convention would then need to be approved by three-fourths of the state legislatures or state convention. No previous constitutional amendment have been made by this method.

The National League of Cities, U. S. Conference of Mayors and League of California Cities have not taken a position on " Corporate Personhood."

Cities that have Passed Resolutions Opposing "Corporate Personhood"

A recent survey was conducted asking California cities if they have passed resolutions on this issue. To date, staff has learned of the following 17 California cities that have passed a resolution opposing "Corporate Personhood":

1. Arcata
2. Berkeley
3. Chico
4. Fairfax
5. Fort Bragg
6. Los Altos Hills
7. Los Angeles
8. Ojai
9. Marina
10. Mount Shasta
11. Oakland
12. San Francisco
13. San Luis Obispo
14. Santa Cruz
15. Santa Monica
16. Thousand Oaks
17. West Hollywood

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On the national level, the following 13 cities have passed resolutions opposing “Corporate Personhood”:

1. Albany, NY
2. Asheville, NC
3. Boulder, CO
4. Duluth, MN
5. Eugene, OR
6. Missoula, MT
7. New York City, NY
8. Newtown, PA
9. Portland City, ME
10. Portland, OR
11. South Miami, FL
12. Tampa, FL
13. Taos, NM

The County of Ventura also recently passed a resolution opposing “Corporate Personhood”.

FINANCIAL IMPACT

None.

MRE:lal

Attachment #1 - Resolution to amend the U.S. Constitution to end corporate personhood
#2 - Letter to Senators Boxer and Feinstein and Congresswoman Capps

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD URGING
SENATOR BOXER, SENATOR FEINSTEIN, AND CONGRESSWOMAN CAPPS TO
AMEND THE U. S. CONSTITUTION TO END
CORPORATE PERSONHOOD

WHEREAS, the 2010 U. S. Supreme Court decision Citizens United v. Federal Election Commission established " Corporate Personhood" by holding that corporations have the same First Amendment rights of free speech as persons; and

WHEREAS, the Supreme Court ruled that the First Amendment prohibits government from restricting political expenditures by corporations and; and

WHEREAS, the prohibition against legal restrictions on political expenditures by corporations has an overwhelming impact on the electoral process allowing unlimited spending by corporations to influence elections, candidates, and polices; and

WHEREAS, the Citizens United decision supersedes state and local efforts to regulate corporate activity in their elections; and

WHEREAS, the City of Oxnard recognizes the importance of fair and democratic elections as set forth in Title 1, Chapter 13 of its Municipal Code.

NOW, THEREFORE, the City Council of the City of Oxnard resolves to join with other cities across the country seeking an amendment the United States Constitution to end Corporate Personhood.

BE IT FURTHER RESOLVED that copies of this resolution be sent to Senators Barbara Boxer and Diane Feinstein, and Congresswoman Lois Capps.

PASSED AND ADOPTED this 26th day of June, 2012 by the following vote:

AYES:

NOES:

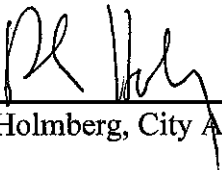
ABSENT:

Dr. Thomas E. Holden, Mayor

ATTEST:

Daniel Martinez, City Clerk

APPROVED AS TO FORM:



Alan Holmberg, City Attorney



CITY COUNCIL OFFICE

305 West Third Street • Oxnard, CA 93030 • (805) 385-7428 • Fax (805) 385-7595

June 26, 2012

Senator Barbara Boxer
United States Senate
112 Hart Senate Office Building
Washington, D. C. 20515

Senator Dianne Feinstein
United States Senate
331 Hart Senate Office Building
Washington, D. C. 20515

Congresswoman Lois Capps
U. S. House of Representatives
2231 Rayburn House Office Building
Washington, D. C. 20515

Re: Constitutional Amendment to End Corporate Personhood

Dear Senator Boxer, Senator Feinstein and Congresswoman Capps:

The local organizing committee of a grassroots effort called, "Move to Amend" has attended several Oxnard City Council meetings requesting the Council to adopt a resolution supporting an amendment to the U. S. Constitution abolishing "corporate personhood."

In the Supreme Court's landmark decision in *Citizens United v. Federal Election Commission*, the high court ruled that corporations have the same rights as a human being. This decision held that the First Amendment prohibited the government from restricting political speech and expenditures by corporations and unions. This led to the advent of Super PACs, which has had overwhelming and detrimental effect on current state and federal elections.

The Oxnard City Council recognizes the importance of fair and democratic elections. On June 26, 2012, City Council voted to support an amendment to the U. S. Constitution to end "Corporate Personhood." The disproportionate spending created by the notion of corporate personhood and rise of Super PACs results in the distortion of the American campaign process.

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Constitutional Amendment to End Corporate Personhood
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The only way to remedy this is through an amendment to the U. S. Constitution. I hope you will consider supporting an amendment to the Constitution to end the practice of corporate personhood.

Sincerely,

Dr. Thomas E. Holden
Mayor

Dr. Irene G. Pinkard
Mayor Pro Tem

Bryan A. MacDonald
Councilman

Tim Flynn
Councilman

Carmen Ramírez
Councilmember

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