

Amendment to Article V of the RainbowPAC Bylaws

This amendment is intended to and does hereby replace Article V of the RainbowPAC Bylaws in its entirety.

ARTICLE I

Name and Definition

The name of this unincorporated organization shall be the Rainbow Chamber of Commerce Political Action Committee, hereinafter referred to as the “RainbowPAC.” The RainbowPAC is a voluntary, not-for-profit, non-partisan political action committee of Sacramento area lesbian, gay, bisexual, transgender, and queer (LGBTQ) business owners as well as their allies.

ARTICLE II

Mission Statement and Purpose

The RainbowPAC’s mission is to support candidates for public office and ballot initiatives that will have an impact on Sacramento area’s LGBTQ community and its many businesses and enhance awareness of LGBTQ political and social issues.

The purposes of the RainbowPAC are to:

- Promote and strive for the improvement of non-partisan government by encouraging members and the community to take a more active and effective role in local government affairs.
- Inform members and the community about issues affecting the Sacramento LGBTQ community and business owners, and important issues requiring action by local, state and federal government.
- Inform members and the community of voting records of local office holders and candidates for elected office.
- Solicit and receive information from members and the community regarding important economic and political issues requiring action by Sacramento government officials at all levels of government
- Solicit and receive contributions to be used to make political campaign donations to those candidates for local elected office who have demonstrated understanding and interest of views and goals of the RainbowPAC.
- Solicit and receive contributions to be used to pay for the distribution of information pertaining to important community issues and/or to support or oppose local, statewide and federal legislation, candidates for local, statewide and federal office, local governmental actions and/or local ballot measures.

- Assist members and the community in organizing more effective political actions and in carrying out their civic responsibilities.
- Support the activities of other organizations supporting the goals of the RainbowPAC.

ARTICLE III *Organization*

Governance

The RainbowPAC shall be managed by a Board of **Directors (hereinafter referred to as the “Board”)**. The regulation of the RainbowPAC and the conduct of the affairs of RainbowPAC shall be determined by the bylaws.

Location and Meetings

The RainbowPAC office shall be located in the offices of the Sacramento Rainbow Chamber of Commerce, if any. The RainbowPAC shall meet at the discretion of the Chair of the Board. The Chair may appoint individuals to serve as an ad-hoc committee to assist in raising and collecting funding for the RainbowPAC **or for any other purpose** at any time deemed necessary.

ARTICLE IV *Membership*

The membership of the RainbowPAC shall be the membership of the Sacramento Rainbow Chamber of Commerce. Each member of the Sacramento Rainbow Chamber of Commerce entitled to vote as to the affairs of the Sacramento Rainbow Chamber of Commerce shall be entitled to vote as to the affairs of the RainbowPAC as set forth herein.

ARTICLE V *Board of Directors*

Board of Directors

The Board is the RainbowPAC’s governing body and exercises all of the managerial control and authority over the business and policy of the RainbowPAC and the terms of conditions of these bylaws.

Composition of Board

The Board shall consist of five (5) Officers and up to six (6) voting Directors. The Officers shall be appointed by the Board of Directors of the Sacramento Rainbow Chamber of Commerce on an annual basis. Additional Directors shall be appointed by the Board. No more than 50% of Board members may concurrently be members of the Sacramento Rainbow Chamber of Commerce Board of Directors.

Executive Committee

The Executive Committee shall consist of the five (5) Officers appointed to the Board.

Attendance Obligation

Directors missing three (3) consecutive regular Board meetings may be removed from the Board. Participation by conference call is a recognized form of Board meeting attendance, if necessary. If an Officer is removed pursuant to this section, a replacement member shall be appointed by the Sacramento Rainbow Chamber of Commerce Board of Directors.

Term of Office. Each Officer or Director shall serve a two-year term. There shall be no limit on the number of terms to which an Officer or Director may be appointed. Terms of office shall begin on January 1.

Call to Meetings. The Chair or any two Directors may call a meeting of the Board.

Notice

The Board may hold regular meetings without notice at the time and place of the regular meetings fixed by the Board, and may hold emergency meetings with notice appropriate to the circumstances, if any person authorized to call a meeting determines that an emergency exists and calls an emergency meeting. The Board may hold special meetings upon four days' notice by first class mail or 48 hours' notice by personal delivery, telephone, email or facsimile.

Quorum

A majority of the number of Directors in office, but no fewer than three (3), shall constitute a quorum of the Board for the transaction of business of the RainbowPAC.

Board Action

Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board. The Board may adopt rules and regulations which may supplement and interpret these Bylaws and shall be binding and enforceable as to Members, Directors and Officers, to the extent they are consistent with the Nonprofit Public Benefit Corporation Law and Section 501(c)(3) of the Internal Revenue Code.

Strategic Plan. The Board shall support the development of and approve long range plans for the activities of the RainbowPAC, and will present these plans to the Board of Directors of the Sacramento Rainbow Chamber of Commerce annually for comment and approval.

Removal from the Board

An Officer may be removed from the Board for cause by a two-thirds majority vote of the Board of Directors of the Sacramento Rainbow Chamber of Commerce. A Director may be removed from the Board for cause by a two-thirds majority vote of the Board of Directors of the RainbowPAC.

Duties

A. Chair — The Chair shall:

- preside at all meetings of the RainbowPAC and the Executive Committee;
- provide guidance to all committees;
- nominate all standing and special committee chairs and appoint the committee members (unless otherwise provided in these Bylaws);

- appoint other ex-officio non-voting officers as may be needed to assist in the conduct of the meetings;
 - represent the RainbowPAC at county, district, state, and national meetings and functions (or appoint a designee);
 - act as primary spokesperson for the RainbowPAC; and
 - serve as chief executive and administrative officer, with the power to sign all contracts and other instruments of the RainbowPAC which are authorized by the Executive Committee; and
 - work with the Treasurer to present a budget to the Board of Directors.
- B. Vice Chair— The Vice Chair shall:
- act as second-in-command of the RainbowPAC and run Executive Committee and membership meetings in the absence of the Chair.
- C. Secretary — The Secretary shall:
- provide members with notice of meetings, proposed Bylaws changes, and other procedural business;
 - maintain a record of all meetings of the Executive Committee and general membership; and
 - maintain all records of the RainbowPAC (except as otherwise assigned by these Bylaws) including, but not limited to, meeting minutes, committee reports, the official membership roll, committee lists, and the Bylaws.
- D. Treasurer — The Treasurer shall:
- serve as the custodian of all funds of the RainbowPAC;
 - be responsible for keeping an accurate record of receipts and expenditures and presenting a current statement of income and all expenditures at each Executive Committee meeting as requested by the Executive Committee;
 - present a report at each general membership meeting;
 - disburse funds only as authorized by the Executive Committee or the membership;
 - appoint, with the approval of the Executive Committee, deputies to receive and account for RainbowPAC funds, if needed. The RainbowPAC’s financial records shall be available for review by any member upon reasonable request; and
 - work with the Chair to present a budget to the Board.

Liability

RainbowPAC shall hold harmless and indemnify any Officer or Director from any civil liability, including late penalties rendered against, or owed by, the Treasurer or RainbowPAC on account of any action taken on behalf of the RainbowPAC, unless the Officer or Director intentionally violated a statute on behalf or was **reckless** in the performance of his/her duties.

This mandatory hold-harmless provision shall not extend to any professional treasurer advisor, accountant or attorney retained by RainbowPAC. Notwithstanding the above, RainbowPAC may pay such fines or judgments, in its own discretion, regardless of the motivation of the Treasurer, Officer or Director. All obligations of RainbowPAC, hereunder are obligators of the RainbowPAC

only to the extent of RainbowPAC's assets and not of any Officer, Director, employee, or any other person or entity associated with the RainbowPAC.

Compensation of Officers

Officers waive any right to receive compensation for services rendered hereunder. Officers shall be entitled to reimbursement for all reasonable expenses incurred on behalf of the RainbowPAC, provided those expenses are approved by the Board of Directors.

ARTICLE VI

Voting

Any decision by RainbowPAC to take a position on a ballot measure, policy, legislation or other political matter or to make an endorsement of a candidate shall require an affirmative vote of sixty percent (60%) of the members present.

ARTICLE VII

Endorsements

The ability to endorse a candidate for office or take a position on a ballot initiative or piece of legislation rests in the members. The Board has the authority to approve necessary procedures, including questionnaires, ballots, provide recommendations to the members, notify the members of the time, date and location of voting, and provide recommendations on which races and which candidates to endorse. However, it is the membership itself that ultimately makes the decision on which races and candidates to endorse, and amount of funds to distribute. The Secretary shall keep a list of members of good standing and shall distribute ballots to members and provide the members with the appropriate number to reach voting thresholds.

Application Procedures

1. Prior to endorsement, the RainbowPAC must provide all candidates an equal opportunity to seek endorsement and provide information for review by the RainbowPAC. In order to be considered for an endorsement, all candidates shall complete and sign a questionnaire that shall be approved by the Board.
2. Prior to endorsement, the RainbowPAC must give all candidates an equal opportunity to address issues through an application for endorsement and/or participation in a Sacramento Rainbow Chamber of Commerce-sponsored Community Candidates Forum.

Recommendations

The Board may recommend a candidate for endorsement to the members based on:

- candidates' general platform and approach to government affairs;
- candidates' willingness and ability to assume a leadership role with regard to issues identified in Sacramento Rainbow Chamber of Commerce-sponsored Community Candidates Forum;
- past voting records, if applicable;
- candidate's electability to the office;
- candidate's past participation and conduct in public meetings; and

- other relevant factors.

Review and Confidentiality

The RainbowPAC endorsement recommendations shall only be disclosed to members.

RainbowPAC may only endorse as many candidates in a contest who can win the seat (i.e. the RainbowPAC can endorse only one (1) candidate for Mayor of Sacramento, but could endorse multiple candidates for school board races where the top vote receivers win seats on the board).

Procedures

1. Uncontested Races. The RainbowPAC may endorse uncontested candidates by a sixty percent (60%) vote of those members present and voting. The Chair may choose to place uncontested races on the consent agenda for the general membership.
2. Uncontested Issues. The RainbowPAC may endorse an Uncontested by a sixty percent (60%) vote of those members present and voting. The Chair may choose to place uncontested issues on the consent agenda for the general membership.
3. Contested Races.
 - Any member may request the RainbowPAC commence endorsement proceedings for a candidate or candidates in a Contested Race;
 - The Executive Committee shall schedule endorsement procedures for the appropriate Membership Meeting at which all notification requirements under these By-Laws can be reasonably accomplished;
 - The Board shall make reasonable efforts to give all candidates running in a contested election for which the RainbowPAC endorsement is sought, written notice of the RainbowPAC's procedures for endorsements and a copy of the RainbowPAC questionnaire at least twenty (20) days prior to any Membership Meeting at which the potential endorsement is to be acted upon;
 - A notice called "Notice of Endorsement Procedure" must be mailed or e-mailed to all members at least ten (10) days prior to any Membership Meeting at which the RainbowPAC intends to ask the members to vote for endorsement for any candidates;
 - RainbowPAC may endorse a candidate upon a sixty percent (60%) vote of those members present and voting. Only candidates who have returned and signed a questionnaire shall have their name placed on the ballot for voting;
 - If after the first ballot no candidate receives sixty percent (60%) of the vote, then a motion may be made that the candidate receiving the fewest number of votes no longer be considered and members may vote again for the remaining candidates. The members may vote in this fashion until there is one more candidate than there exists number of seats available in the given contest (i.e. two (2) candidates for Mayor of Sacramento, four (4) candidates competing for three (3) seats on a school board). If, after this vote, no candidate receives sixty percent (60%), then the RainbowPAC will issue NO ENDORSEMENT in the race.
4. Contested Issues.

- Any member may request the RainbowPAC Board to commence endorsement proceedings for a contested issue;
 - The Executive Committee shall schedule endorsement procedures for the appropriate Membership Meeting at which all notification requirements under these By-Laws can be reasonably accomplished. The Executive Committee shall set policies that allow for appropriate debate and discussion on contested issues as to allow both sides equal time to present their position to the members;
 - A notice called “Notice of Endorsement Procedures” must be mailed or e-mailed to all Members at least ten (10) days prior to any Membership Meeting at which any member intends to seek the RainbowPAC endorsement for any Contested Issue. The RainbowPAC may endorse a Contested Issue upon a sixty percent (60%) vote of those Members present and voting.
5. No Endorsement shall always be an option included on a candidate or issue endorsement ballot or vote.
 6. Voting may be done by either voice vote or a show of hands or by secret ballot. At the request of any member, any endorsement vote shall be held by secret ballot.
 7. Use of RainbowPAC Assets.
 - The following shall require a majority (50% + 1) vote of the members present at a General Membership meeting:
 - Donation to endorsed candidates and endorsed ballot initiatives and local measures. The Board shall provide a recommendation to the members of the total amount that is in the best interest to donate to each endorsed candidate as well as all applicable local, state and federal contribution limits.
 - Approval of the use of stationery, mailing lists, labels, phone lists, the association of the RainbowPAC’s name, logo, or its members’ time for campaign activities, and fundraising, or RainbowPAC’s funds above five-hundred dollars (\$500.00). The Board may approve funds less than five-hundred dollars (\$500.00) with a simple majority of the quorum provided these funds are for the administrative function of the organization and **not** a contribution to any candidate or ballot initiative.
 - The RainbowPAC shall cover the costs of producing mailing lists and stationery as requested by the candidates and position committees and approved by the Board.
 - No assets shall be used for any candidate where RainbowPAC declined to endorse.

ARTICLE VIII
Subcommittees

The RainbowPAC shall have such committees as the Board determines are necessary and desirable for carrying out its mission and purposes. The Chair and members of such committees shall be appointed by the Chair of the Board.

ARTICLE IX

Contributions and Expenditures

All contributions to the RainbowPAC shall be voluntary. Contributions to the RainbowPAC shall not be required as a condition of membership of the Sacramento Rainbow Chamber of Commerce. No contributions shall be accepted, and no expenditures shall be made by the RainbowPAC if the Treasurer position is vacant.

ARTICLE X

Books and Records

The RainbowPAC shall keep correct and complete books and records of account, and shall also keep minutes of Board meetings. All records shall be kept and the preparation and filing of all required reports of receipts and expenditures conducted, in compliance with the California Political Reform Act of 1974 and other applicable laws and regulations.

ARTICLE XI

Accounting

1. Expenditures will be made in accordance with a budget prepared by the Treasurer and Chair and adopted by the Board. Non-budget expenditures of up to \$500 may be approved by the Executive Committee. Non-budget expenditures of \$500.01 or more must be approved by the membership.
2. The RainbowPAC's fiscal year shall be the period from July 1 through June 30 of one (1) calendar year.

ARTICLE XII

Parliamentary Procedure

The rules contained in the current edition of Robert's Rules of Order, Newly Revised shall govern the RainbowPAC in all cases to which they are applicable and in which they are not inconsistent with these Bylaws and any local, state or federal statute applicable to the RainbowPAC that do not authorize the provisions of these Bylaws to take precedence.

ARTICLE XIII

Amendment of the Bylaws

These Bylaws may be amended by a seventy-five (75%) vote of the Board. After any such amendment, the revised Bylaws shall be distributed via e-mail to the members, together with copies of the minutes of the Board Meeting at which such amendments were adopted, and shall be filed with all appropriate agencies within thirty (30) days following adoption.