

1 [Consolidating the Public Campaign Financing Programs for Mayor and Board of  
2 Supervisors.]

3 **Ordinance amending sections 1.104, 1.108, 1.130, 1.134, 1.134.5, 1.136, 1.138, 1.140,**  
4 **1.142, 1.144, 1.146, 1.148, 1.150, 1.152, 1.154, 1.156 and 1.170 and repealing sections**  
5 **1.138.5, 1.140.5 and 1.144.5 of the Campaign and Governmental Conduct Code to**  
6 **combine the separate partial public financing programs for candidates for the Board of**  
7 **Supervisors and candidates for Mayor into one partial public financing program and**  
8 **raising the expenditure ceiling for candidates for the Board of Supervisors to \$140,000.**

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10 Note: Additions are *single-underline italics Times New Roman*;  
11 deletions are *strikethrough italics Times New Roman*.  
12 Board amendment additions are double underlined.  
13 Board amendment deletions are ~~strikethrough normal~~.

14 Be it ordained by the People of the City and County of San Francisco:

15 Section 1. The San Francisco Campaign and Governmental Conduct Code is hereby  
16 amended by amending Sections 1.104, 1.108, 1.130, 1.134, 1.134.5, 1.136, 1.138, 1.140,  
17 1.142, 1.144, 1.146, 1.148, 1.150, 1.152, 1.154, 1.156 and 1.170 to read as follows:

18 SEC. 1.104. DEFINITIONS.

19 Whenever in this Chapter the following words or phrases are used, they shall mean:

20 (a) "Candidate" shall mean any individual listed on the ballot for election to any City  
21 elective office or who otherwise has taken affirmative action to seek nomination or election to  
22 such office. The term "candidate" shall also mean the candidate's campaign committee.

23 (b) "Charitable organization" shall mean an entity exempt from taxation pursuant to  
24 Title 26, Section 501 of the United State Code.

1 (c) "City elective office" shall mean the offices of Mayor, Member of the Board of  
2 Supervisors, City Attorney, District Attorney, Treasurer, Sheriff, Assessor, Public Defender,  
3 Member of the Board of Education of the San Francisco Unified School District and Member  
4 of the Governing Board of the San Francisco Community College District. The Board of  
5 Supervisors shall be deemed to consist of eleven separate City elective offices, the San  
6 Francisco Community College District shall be deemed to consist of seven separate City  
7 elective offices, and the Board of Education of the San Francisco Unified School District shall  
8 be deemed to consist of seven separate City elective offices.

9 (d) "Committee" shall be defined as set forth in the Government Code of the State of  
10 California (commencing at Section 81000).

11 (e) "Contribution" shall be defined as set forth in Government Code of the State of  
12 California (commencing at Section 81000); provided, however, that "contribution" shall include  
13 loans of any kind or nature.

14 (f) "Election" shall mean any primary, general, or special municipal election held in the  
15 City and County of San Francisco for City elective office, regardless of whether the election is  
16 conducted by district or Citywide.

17 (g) "Enforcement authority" shall mean the District Attorney of the City and County of  
18 San Francisco for criminal enforcement, the City Attorney for civil enforcement, and the Ethics  
19 Commission for administrative enforcement. Nothing in this Chapter shall be construed as  
20 limiting the authority of any law enforcement agency or prosecuting attorney to enforce the  
21 provisions of this Chapter under any circumstances where such law enforcement agency or  
22 prosecuting attorney otherwise has lawful authority to do so.

23 (h) "Ethics Commission" shall mean the San Francisco Ethics Commission.  
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1 (i) "Executive Director" shall mean the Executive Director of the Ethics Commission,  
2 or the Executive Director's designee.

3 (j) "Individual Expenditure Ceiling" shall mean the expenditure ceiling established for  
4 each individual candidate for Mayor or the Board of Supervisors who has been certified by the  
5 Ethics Commission as eligible to receive public funds under this Chapter.

6 (k) "Matching contribution" shall mean a contribution up to \$500.00, that is made by  
7 an individual, other than the candidate, who is a resident of San Francisco. Matching  
8 contributions shall not include loans, contributions that are received more than 18 months  
9 before the date of the election, contributions made by the candidate's immediate family or  
10 qualifying contributions, and must comply with all requirements of this Chapter. Matching  
11 contributions under \$100.00 that are not made by written instrument must be accompanied by  
12 written documentation of the contributor's name and address.

13 (l) "Measure" shall mean any City, San Francisco Unified School District or San  
14 Francisco Community College District referendum, recall or ballot proposition, whether or not  
15 it qualifies for the ballot.

16 (m) "Person" shall mean any individual, partnership, corporation, association, firm,  
17 committee, club or other organization or group of persons, however organized.

18 (n) "Qualified campaign expenditure" for candidates includes all of the following:

19 (1) Any expenditure made by a candidate, or by a committee controlled by the  
20 candidate, for the purpose of influencing or attempting to influence the actions of the voters for  
21 the election of the candidate to City elective office.

22 (2) A nonmonetary contribution provided to the candidate, officeholder or committee  
23 controlled by the candidate.

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1           (3) The total cost actually paid or incurred by the candidate or controlled committee of  
2 the candidate for a slate mailing or other campaign literature produced or authorized by more  
3 than one candidate.

4           (4) Expenses incurred, but for which payment has not yet been made.

5           (5) Expenses associated with complying with applicable laws, including but not limited  
6 to the California Political Reform Act, Government Code Section 81000, et seq., and the  
7 provisions of this Chapter.

8           (6) "Qualified campaign expenditure" shall not include filing fees, expenses incurred in  
9 connection with an administrative or judicial proceeding, payments for administrative, civil or  
10 criminal fines, including late filing fines, costs incurred after the election that do not directly  
11 affect the outcome of the election, including but not limited to utility bills, expenses associated  
12 with an audit, and expenses related to preparing post-election campaign finance disclosure  
13 reports as required by the California Political Reform Act, Government Code Section 81000,  
14 et seq., and the provisions of this Chapter, or for inaugural activities or officeholder expenses.

15           (o) "Qualifying contribution" shall mean a contribution of not less than \$10.00 and not  
16 more than \$100.00 that is made by an individual who is a resident of San Francisco and that  
17 complies with all requirements of this Chapter. Qualifying contributions shall not include  
18 loans, contributions that are received more than 18 months before the date of the election or  
19 contributions made by the candidate or the candidate's immediate family. Qualifying  
20 contributions under \$100.00 that are not made by written instrument must be accompanied by  
21 written documentation of the contributor's name and address.

22           (p) "Recorded telephone message" shall mean a recorded audio message that  
23 expressly supports or opposes a candidate for City elective office that is distributed by  
24 telephone.

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1 (q) "Surplus funds" shall mean funds remaining in a candidate's campaign account at  
2 the time the candidate leaves City elective office, or at the end of the post-election reporting  
3 period following the defeat of the candidate for City elective office, whichever occurs last, and  
4 funds remaining in the campaign account of a committee primarily formed to support or  
5 oppose a measure at the end of the post-election reporting period following the election at  
6 which the measure appeared on the ballot.

7 (r) "Total Opposition Spending" shall mean the sum of any expenditures made or  
8 expenses incurred by any person or persons for the purpose of making independent  
9 expenditures, electioneering communications or member communications in opposition to a  
10 specific candidate for Mayor or the Board of Supervisors.

11 (s) "Total Supportive Funds" shall mean the sum of all contributions received by a  
12 candidate for Mayor or the Board of Supervisors other than any funds in the candidate's  
13 Campaign Contingency Account, plus the expenditures made or expenses incurred by any  
14 person or persons for the purpose of making independent expenditures, electioneering  
15 communications or member communications in support of that same candidate.

16 (t) "Trust Account Limit," shall mean the amount of funds in the Campaign  
17 Contribution Trust Account of a candidate for Mayor or the Board of Supervisors who has been  
18 certified by the Ethics Commission as eligible to receive public funds under this Chapter such  
19 that the expenditure of this amount would cause the candidate to reach, but not exceed, the  
20 candidate's Individual Expenditure Ceiling. The Trust Account Limit shall be reduced as the  
21 candidate spends money and shall be increased when his or her Individual Expenditure  
22 Ceiling increases.

23 (u) "Voter" means an individual registered to vote in San Francisco.  
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1 (v) "Written instrument" means a check, credit card receipt, or record of electronic  
2 transfer of funds.

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1 SEC. 1.108. CANDIDATE CAMPAIGN CONTRIBUTION TRUST ACCOUNTS AND  
2 CAMPAIGN CONTINGENCY ACCOUNTS.

3 (a) CANDIDATE CAMPAIGN CONTRIBUTION TRUST ACCOUNTS.

4 (1) Establishment of Account. Each treasurer for a candidate shall establish a  
5 Campaign Contribution Trust Account for the candidate at an office of a bank located in the  
6 City and County of San Francisco, the account number and branch identification of which  
7 shall be filed with the Ethics Commission within ten days of the establishment of the account.  
8 All of the expenditures by the candidate for the City elective office sought shall be made from  
9 that account.

10 (2) Prohibition on Multiple Accounts. All funds, services or in-kind contributions  
11 received by a City elective officer, or by any person or committee on behalf of a City elective  
12 officer, for expenses incurred directly in connection with carrying out the usual and necessary  
13 duties of holding office shall be deposited, credited or otherwise reported to the officer's  
14 campaign contribution trust account and shall be subject to the contribution limits in Section  
15 1.114 of this Chapter. Nothing in this Section shall prohibit an officer from spending personal  
16 funds on official or related business activities.

17 (3) Account Limits. A candidate for Mayor or the Board of Supervisors who has been  
18 certified by the Ethics Commission as eligible to receive public funds under this Chapter shall  
19 not, at any time, have an amount of funds greater than the candidate's Trust Account Limit in  
20 his or her Campaign Contribution Trust Account.

21 (b) CAMPAIGN CONTINGENCY ACCOUNTS FOR CANDIDATES FOR MAYOR  
22 AND THE BOARD OF SUPERVISORS.

23 (1) Notwithstanding any other section of this Code, including subsection (a)(2), a  
24 candidate for Mayor or the Board of Supervisors who has been certified by the Ethics  
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1 Commission as eligible to receive public funds under this Chapter may maintain a Campaign  
2 Contingency Account separate from his or her Campaign Contribution Trust Account into  
3 which he or she may deposit money contributions in anticipation of the candidate's Individual  
4 Expenditure Ceiling being raised. All money contributions deposited into this account shall be  
5 reported as if it were deposited into the candidate's Campaign Contribution Trust Account.

6 (2) No expenditures shall be made from a Campaign Contingency Account  
7 established pursuant to this section. Funds may be transferred between a candidate's  
8 Campaign Contingency Account and the candidate's Campaign Contribution Trust Account,  
9 provided that the amount of funds in the candidate's Campaign Contribution Trust Account  
10 does not exceed the candidate's Trust Account Limit. All funds that qualify as matching  
11 contributions and are transferred from the Campaign Contingency Account to the Campaign  
12 Contribution Trust Account shall be eligible to be matched with public funds in accordance  
13 with the procedures set forth in this Chapter. Within ten days after the date of the election, the  
14 candidate shall turn over all funds in the Campaign Contingency Account to the *Mayoral*  
15 Election Campaign Fund.

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17 SEC. 1.130. AMOUNT OF EXPENDITURE CEILINGS.

18 (a) Any candidate for Assessor, Public Defender, City Attorney, District Attorney,  
19 Treasurer, or Sheriff who agrees to expenditure ceilings shall not make total qualified  
20 campaign expenditures exceeding \$229,000.00.

21 (b) Any candidate for Mayor who agrees to expenditure ceilings shall not make total  
22 qualified campaign expenditures exceeding \$1,375,000.00.

23 (c) Any candidate for the Board of Supervisors who agrees to expenditure ceilings  
24 shall not make total qualified campaign expenditures exceeding \$140,000.00 ~~\$86,000.00~~.

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1 (d) Any candidate for the Board of Education of the San Francisco Unified School  
2 District or the Governing Board of the San Francisco Community College District who agrees  
3 to expenditure ceilings shall not make total qualified campaign expenditures exceeding  
4 \$98,000.00.

5 (e) The Ethics Commission is authorized to adjust annually the expenditure ceilings  
6 imposed by this Section to reflect the change in the California Consumer Price Index for that  
7 year.

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9 **SEC. 1.134. EXPENDITURE CEILINGS LIFTED.**

10 This Section shall apply only if at least one candidate for the City elective office has  
11 filed a statement with the Ethics Commission pursuant to Section 1.128 indicating acceptance  
12 of the applicable expenditure limits, and the applicable expenditure limit has not already been  
13 lifted.

14 (a) If a candidate who has filed a statement under Section 1.128 declining to accept  
15 expenditure ceilings receives contributions or makes qualified campaign expenditures in  
16 excess of 100 percent of the applicable expenditure ceiling, or if a person or persons make  
17 expenditures or payments, or incur expenses for the purpose of making independent  
18 expenditures, electioneering communications or member communications in support of or in  
19 opposition to a candidate that total more than 100 percent of the applicable expenditure  
20 ceiling, the applicable expenditure limit shall no longer be binding on any candidate seeking  
21 election to the same City elective office. This subsection shall not apply to a candidate for  
22 Mayor or the Board of Supervisors who has been certified by the Ethics Commission as  
23 eligible to receive public funds under this Chapter and is therefore subject to an Individual  
24 Expenditure Ceiling.

1 (b) Any candidate who has not accepted the voluntary expenditure ceiling and who  
2 receives contributions, makes expenditures, incurs expenses or has funds in his campaign  
3 trust account that exceed 100 percent of the applicable expenditure ceiling shall, within 24  
4 hours of exceeding 100 percent of the applicable expenditure ceiling, file a statement with the  
5 Ethics Commission, on forms to be provided by the Ethics Commission, stating that fact and  
6 any additional information required by the Ethics Commission. Within 24 hours after receiving  
7 such notice, the Ethics Commission shall inform every other candidate for that office that the  
8 expenditure ceiling has been lifted.

9 (c) Any person that makes expenditures or payments, or incurs expenses for the  
10 purpose of making independent expenditures, electioneering communications or member  
11 communications in support of or in opposition to any candidate in an amount of \$5,000.00 or  
12 more shall, within 24 hours of reaching this threshold, file a statement with the Ethics  
13 Commission, on forms to be provided by the Ethics Commission, stating that fact and any  
14 additional information required by the Ethics Commission. Thereafter, until such time as the  
15 applicable expenditure ceiling is lifted, any such person shall file a supplemental statement  
16 with the Ethics Commission each time the committee makes expenditures or payments or  
17 incurs expenses for the purpose of making independent expenditures, electioneering  
18 communications or member communications or incurs expenses in support of or in opposition  
19 to any candidate of an additional \$5,000.00. The supplemental statements shall be filed within  
20 24 hours of reaching these spending thresholds. This subsection shall not apply to any  
21 expenditures, payments, or expenses incurred for the purpose of making independent  
22 expenditures, electioneering communications or member communications in support of or in  
23 opposition to any candidate for Mayor or the Board of Supervisors if the Ethics Commission  
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1 has certified that at least one candidate for Mayor or the Board of Supervisors is eligible to  
2 receive public funds under this Chapter.

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4 SEC. 1.134.5. LIFTING OF INDIVIDUAL EXPENDITURE CEILINGS.

5 This Section shall apply only if the Ethics Commission has certified that at least one  
6 candidate for Mayor or the Board of Supervisors is eligible to receive public funds under this  
7 Chapter.

8 (a) The Executive Director shall lift the Individual Expenditure Ceiling of a candidate  
9 for Mayor or the Board of Supervisors to an amount equal to the highest level of the Total  
10 Supportive Funds of any other candidate seeking election to the same office if such amount is  
11 greater than \$1,375,000.00 for candidates for Mayor or greater than \$140,000 for candidates for  
12 the Board of Supervisors, provided that the Executive Director may lift a candidate's Individual  
13 Expenditure Ceilings only in increments of \$100,000.00 for candidates for Mayor and \$10,000 for  
14 candidates for the Board of Supervisors.

15 (b) The Executive Director shall lift the Individual Expenditure Ceiling of a candidate  
16 for Mayor or the Board of Supervisors by an amount equal to the ~~candidate's~~ Total Opposition  
17 Spending, of any other candidate seeking election to the same office if such amount is greater  
18 than \$1,375,000.00 for candidates for Mayor or greater than \$140,000 for candidates for the  
19 Board of Supervisors, provided that the Executive Director may lift a candidate's Individual  
20 Expenditure Ceiling only in increments of \$100,000.00 for candidates for Mayor and \$10,000 for  
21 candidates for the Board of Supervisors.

22 (c) On the fourth business day after a statement is filed pursuant to Section 1.152  
23 (a)(3) and (b)(3) of this Chapter, the Executive Director shall determine whether to lift the  
24 Individual Expenditure Ceilings of each candidate for Mayor or the Board of Supervisors  
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1 pursuant to subsections (a) and (b) of this Section based on the information in the statement  
2 unless pursuant to subsection (d) a candidate for Mayor or the Board of Supervisors requests  
3 that the Executive Director make a determination regarding which candidate or candidates the  
4 communication filed with the statement supports or opposes or whether the Communication is  
5 neutral.

6 (d) Any candidate for Mayor or the Board of Supervisors may request that the Executive  
7 Director review the original or copy of a communication filed pursuant to Section 1.152(b)(3)  
8 of this Chapter to make an independent determination regarding which candidate or  
9 candidates for Mayor or the Board of Supervisors the communication actually supports or  
10 opposes or whether the communication is neutral. Such requests must be filed with the  
11 Executive Director within three business days from the date the original or copy of the  
12 communication is filed. Factors the Executive Director shall use to determine whether the  
13 communication supports or opposes one or more candidates include the following:

- 14 (1) The communication clearly identifies one or more ~~mayoral~~ candidates;
- 15 (2) The timing of the communication coincides with the ~~mayoral~~ campaign;
- 16 (3) The communication targets voters in a particular election;
- 17 (4) The communication identifies one or more candidate's position on a public policy  
18 issue and urges the reader or viewer to take action, including calling the candidate to support  
19 or oppose the candidate's position;
- 20 (5) The position of one or more candidates on the public policy issue has been raised  
21 as distinguishing these candidates from others in the campaign, either in the communication  
22 itself or in other public communications;
- 23 (6) The communication is not part of an ongoing series of substantially similar  
24 advocacy communications by the organization on the same issue; and

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1 (7) Any other factors the Executive Director deems relevant.

2 Within three business days of the date the request for a determination is received, the  
3 Executive Director shall make his or her initial determination.

4 Within one business day of the date that the Executive Director makes an initial  
5 determination, any candidate for Mayor *or the Board of Supervisors* may submit to the Executive  
6 Director a request that the Ethics Commission review the Executive Director's initial  
7 determination.

8 Within one business day of receiving the request, the Executive Director shall notify  
9 each Commissioner of the candidate's request.

10 If within one business day of the Executive Director's notice, two or more members of  
11 the Commission inform the Executive Director that they would like to review the initial  
12 determination, the Executive Director shall schedule a meeting of the Commission on a date  
13 that occurs within one week of the Commissioners' requests. If three members of the  
14 Commission vote to overrule the Executive Director's initial determination, the Commission  
15 shall make a final determination based on the factors set forth above.

16 If no candidate requests review of the Executive Director's initial determination, if a  
17 request is made and two or more members of the Commission do not request to review the  
18 initial determination, or within one week of two members of the Commission requesting to  
19 review the initial determination, at least three members of the Commission do not vote to  
20 overrule the Executive Director's initial determination, the Executive Director's determination  
21 shall become final.

22 The Executive Director shall determine whether to lift the Individual Expenditure  
23 Ceilings of each candidate for Mayor *or the Board of Supervisors* pursuant to Subsections (a)  
24 and (b) of this Section within one business day of a final determination.

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SEC. 1.136. PUBLIC FINANCING OF ELECTION CAMPAIGNS.

Candidates for the Board of Supervisors or Mayor who are certified by the Ethics Commission as eligible to receive public financing of their election campaigns, and who comply with the applicable conditions and restrictions specified in Section 1.140 ~~and 1.140.5~~ of this Chapter, may receive public funds as provided in this Chapter to defray the costs of their election campaigns.

SEC. 1.138. ~~SUPERVISOR~~ ELECTION CAMPAIGN FUND; APPROPRIATION OF FUNDS.

(a) ESTABLISHMENT OF ~~SUPERVISOR~~ ELECTION CAMPAIGN FUND. There is hereby established a special fund of the City and County of San Francisco called the ~~Supervisor~~ Election Campaign Fund. All money deposited in the Fund is hereby appropriated for use as specified in this Chapter and the implementing regulations.

(b) APPROPRIATION TO ~~SUPERVISOR~~ ELECTION CAMPAIGN FUND. Except as provided in subsections (b)(3) and (b)(4), each fiscal year the City and County of San Francisco shall appropriate \$2.75 per resident of the City and County of San Francisco to the Election Campaign Fund to provide funding for election campaigns as authorized by this Chapter for all candidates for Mayor or the Board of Supervisors who may be eligible to receive such funds. At the request of the Ethics Commission, the Controller shall estimate the number of residents of the City and County of San Francisco for purposes of this subsection.

(1) Any funds in the Election Campaign Fund not used in one election shall be carried over for use in the following election, provided that at no time shall the total amount in the Election Campaign

1 Fund exceed \$13.5 million. Any funds in the Election Campaign Fund in excess of \$13.5 million shall  
2 be returned to the General Fund.

3 (2) Funds necessary for the Ethics Commission to administer the public financing program for  
4 candidates for Mayor or the Board of Supervisors authorized under section 1.136 of this Chapter  
5 shall be taken from the Election Campaign Fund. The Commission's administrative expenses for such  
6 public financing program for any election shall not exceed 15% of the total amount of funds in the  
7 Election Campaign Fund for that election.

8 (3) If the Office of Mayor becomes vacant and an election is held to fill the vacancy for the  
9 remainder of the term, the City and County of San Francisco shall appropriate additional funds to the  
10 Election Campaign Fund in an amount that ensures that at least \$8.00 per resident is available in the  
11 Election Campaign Fund for that election and the next regularly scheduled Mayoral election.

12 (4) If an office of a member of the Board of Supervisors becomes vacant and an election is held  
13 to fill the vacancy for the remainder of the term, the City and County of San Francisco shall  
14 appropriate an additional \$0.25 per resident to the Election Campaign Fund for that election. These  
15 additional funds shall not be subject to the limit in subsection (b)(1) of this section. Any funds  
16 appropriated pursuant to this subsection that are not used for the election to fill the vacancy shall be  
17 returned to the General Fund.

18 Each fiscal year the City and County of San Francisco shall appropriate to the Supervisor  
19 Election Campaign Fund an amount sufficient to provide funding for election campaigns as authorized  
20 by this Chapter for all candidates for the Board of Supervisors who may be eligible to receive such  
21 funds. The Ethics Commission shall assist the Mayor and Board of Supervisors in estimating the  
22 amount required. If at any time the amount appropriated is insufficient to fund all eligible candidates,  
23 the Ethics Commission shall notify the Mayor and Board of Supervisors, and the City and County shall  
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1 ~~appropriate additional funds. The Ethics Commission shall assist the Mayor and Board of Supervisors~~  
2 ~~in estimating any additional funds required.~~

3 ~~(c) APPROPRIATION TO ETHICS COMMISSION. Each fiscal year the City and County of~~  
4 ~~San Francisco shall appropriate to the Ethics Commission an amount sufficient to pay for the costs of~~  
5 ~~administration of the public financing program. This appropriation shall be in addition to and separate~~  
6 ~~from the regular annual appropriation made to the Ethics Commission. The Ethics Commission shall~~  
7 ~~assist the Mayor and Board of Supervisors in estimating the amount required.~~

8 ~~(d) LIMITATION ON EXPENDITURE OF FUNDS. The annual appropriation to this public~~  
9 ~~financing program, including the cost of administration, shall not exceed \$2.00 per resident of the City~~  
10 ~~and County of San Francisco. At the request of the Ethics Commission, the Controller shall estimate~~  
11 ~~the number of residents of the City and County of San Francisco for purposes of this subsection.~~

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13 ~~SEC. 1.140. ELIGIBILITY TO RECEIVE PUBLIC FINANCING—CANDIDATES FOR THE~~  
14 ~~BOARD OF SUPERVISORS.~~

15 ~~(a) REQUIREMENTS FOR ALL CANDIDATES. To be eligible to receive public financing of~~  
16 ~~campaign expenses under this Chapter, all candidates must:~~

17 ~~(1) Have filed a statement indicating that he or she intends to participate in the public~~  
18 ~~financing program under Section 1.142 of this Chapter.~~

19 ~~(2) Agree to the following conditions:~~

20 ~~(A) The candidate bears the burden of proving that each contribution the candidate relies~~  
21 ~~upon to establish eligibility is a qualifying contribution;~~

22 ~~(B) The candidate bears the burden of proving that expenditures made with public funds~~  
23 ~~provided under this Chapter comply with Section 1.148 of this Chapter;~~



1           (C) The candidate will not make any payments to a contractor or vendor in return for the  
2 contractor or vendor making a campaign contribution to the candidate or make more than a total of 50  
3 payments, other than the return of a contribution, to contractors or vendors that have made  
4 contributions to the candidate;

5           (D) Notwithstanding Sections 1.114 and 1.116, the candidate shall not loan or donate more  
6 than \$5,000.00 of his or her own money to the campaign;

7           (E) The candidate shall not accept any loans to his or her campaign with the exception of a  
8 candidate's loan to his or her own campaign as permitted by this Section; and

9           (F) The candidate shall agree to participate in at least three (3) debates with the candidate's  
10 opponents.

11           (3) Have paid any outstanding late fines or penalties, owed to the City by the candidate or any  
12 of the candidate's previous campaign committees, which were imposed for violations of Chapters 1  
13 through 5 of this Article, the campaign finance provisions of the California Political Reform Act  
14 (Government Code Sections 84100--85704), Chapter 1 of Article II of this Code or Chapters 1 or 2 of  
15 Article III of this Code, provided that the Ethics Commission had notified the candidate of such fines or  
16 penalties by the time of certification.

17           (4) Have filed any outstanding forms, owed to the City by the candidate or any of the  
18 candidate's previous campaign committees, which were required to be filed pursuant to Chapters 1  
19 through 5 of this Article, the campaign finance provisions of the Political Reform Act (Government  
20 Code Sections 84100--85704), or Chapter 1, Article III of this Code, provided that the Ethics  
21 Commission had notified the candidate of such outstanding forms by the time of certification.

22           (5) Have no finding by a court within the prior five years that the candidate knowingly,  
23 willfully, or intentionally violated Chapters 1 through 4 of this Article or the campaign finance  
24 provisions of the California Political Reform Act (Government Code Sections 84100--85704). For  
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1 purposes of this Section, a plea of nolo contendere shall be treated the same as a finding by a court of a  
2 willful violation.

3 (ab) ADDITIONAL REQUIREMENTS FOR CANDIDATES FOR THE BOARD OF  
4 SUPERVISORS. To be eligible to receive public financing of campaign expenses under this  
5 Chapter, a candidate for the Board of Supervisors must:

6 (1) Be seeking election to the Board of Supervisors and be eligible to hold the office  
7 sought;

8 ~~(2) Have filed a statement indicating that he or she intends to participate in the public~~  
9 ~~financing program under Section 1.142(a) of this Chapter;~~

10 ~~(2<sup>3</sup>)~~ Have received at least \$5,000.00 in qualifying contributions from at least 75  
11 contributors before the 70th day before the election;

12 ~~(3<sup>4</sup>)~~ Be opposed by another candidate who has either established eligibility to receive  
13 public financing, or received contributions or made expenditures which in the aggregate equal  
14 or exceed \$5,000; and

15 ~~(4) Agree that the candidate will not spend on the candidate's campaign more than the~~  
16 ~~candidate's Individual Expenditure Ceiling of \$140,000, or as adjusted under Section 1.134.5 of this~~  
17 ~~Chapter.~~

18 (c) ADDITIONAL REQUIREMENTS FOR CANDIDATES FOR MAYOR. To be eligible to  
19 receive public financing of campaign expenses under this Chapter, a candidate for Mayor must:

20 (1) Be seeking election to the office of Mayor and be eligible to hold the office sought;

21 (2) Have received at least \$25,000.00 in qualifying contributions from at least 250  
22 contributors by the 70th day before the election.

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1           (3) Be opposed by another candidate who has either established eligibility to receive public  
2 financing, or received contributions or made expenditures that in the aggregate equal or exceed  
3 \$50,000.00; and

4           (4) Agree that the candidate will not spend on the candidate's campaign more than the  
5 candidate's Individual Expenditure Ceiling of \$1,375,000, or as adjusted under Section 1.134.5 of this  
6 Chapter.

7           (d) ADJUSTMENT OF EXPENDITURE LIMITS AND THRESHOLDS. Whenever the Ethics  
8 Commission pursuant to Section 1.130 adjusts the voluntary expenditure ceilings to reflect changes in  
9 the California Consumer Price Index, the Commission is authorized to adjust:

10           (1) The figures in Subsections (b)(4) and (c)(4) to match the adjusted voluntary expenditure  
11 ceilings in Section 1.130;

12           (2) The figure in Subsection (a)(2)(D) of this Section to reflect changes in the California  
13 Consumer Price Index, provided that such adjustments shall be rounded off to the nearest \$1,000.00;

14           (3) The figures in Subsections (b)(2) and (b)(3) of this Section to reflect changes in the  
15 California Consumer Price Index, provided that such adjustments shall be rounded off to the nearest  
16 \$500;

17           (4) The figures in Subsections (c)(2) and (c)(3) of this Section to reflect changes in the  
18 California Consumer Price Index, provided that such adjustments shall be rounded off to the nearest  
19 \$5,000; and

20           (5) The maximum amount of a contribution that constitutes a qualifying contribution pursuant  
21 to Section 1.104 to reflect changes in the California Consumer Price Index, provided that such  
22 adjustments shall be rounded off to the nearest \$10.00.

23           ~~(5) Agree to the following conditions:~~

1           ~~(A) The candidate bears the burden of proving that each contribution the candidate relies~~  
2 ~~upon to establish eligibility is a qualifying contribution;~~

3           ~~(B) The candidate bears the burden of proving that expenditures made with public funds~~  
4 ~~provided under this Chapter comply with Section 1.148 of this Chapter;~~

5           ~~(C) The candidate shall not make qualified campaign expenditures which in the aggregate~~  
6 ~~exceed the expenditure limits specified in Section 1.130 of this Chapter, except as provided in Section~~  
7 ~~1.134 of this Chapter; and~~

8           ~~(D) The candidate shall agree to participate in at least one debates with the candidate's~~  
9 ~~opponents.~~

10           ~~(6) Have paid any outstanding late fines or penalties, owed to the City by the candidate or any~~  
11 ~~of the candidate's previous campaign committees, which were imposed for violations of Chapters 1~~  
12 ~~through 5 of this Article, the campaign finance provisions of the California Political Reform Act~~  
13 ~~(Government Code Sections 84100–85704), Chapter 1 of Article II of this Code or Chapters 1 or 2 of~~  
14 ~~Article III of this Code, provided that the Ethics Commission had notified the candidate of such fines or~~  
15 ~~penalties by the time of certification;~~

16           ~~(7) Have filed any outstanding forms, owed to the City by the candidate or any of the~~  
17 ~~candidate's previous campaign committees, which were required to be filed pursuant to Chapters 1~~  
18 ~~through 5 of this Article, the campaign finance provisions of the Political Reform Act (Government~~  
19 ~~Code Sections 84100–85704), or Chapter 1, Article III of this Code, provided that the Ethics~~  
20 ~~Commission had notified the candidate of such outstanding forms by the time of certification;~~

21           ~~(8) Have no finding by a court within the prior five years that the candidate knowingly,~~  
22 ~~willfully, or intentionally violated Chapters 1 through 4 of this Article or the campaign finance~~  
23 ~~provisions of the California Political Reform Act (Government Code Sections 84100–85704). For~~  
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1 ~~purposes of this Section, a plea of nolo contendere shall be treated the same as a finding by a court of a~~  
2 ~~willful violation.~~

3 ~~(b) ADJUSTMENT OF EXPENDITURE LIMITS AND THRESHOLDS. Whenever the Ethics~~  
4 ~~Commission pursuant to Section 1.130 adjusts the voluntary expenditure ceilings to reflect changes in~~  
5 ~~the California Consumer Price Index, the Commission is authorized to adjust the threshold limits in~~  
6 ~~Subsections (a)(3) and (a)(4) of this Section, and Section 1.152, to reflect changes in the California~~  
7 ~~Consumer Price Index.~~

8

9 SEC. 1.142. PROCESS FOR ESTABLISHING ELIGIBILITY; CERTIFICATION BY THE  
10 ETHICS COMMISSION.

11 (a) STATEMENT OF PARTICIPATION OR NON-PARTICIPATION. Each candidate  
12 for the Board of Supervisors or Mayor must sign and verify under penalty of perjury a  
13 Statement of Participation or Non-Participation in the public financing program. The  
14 statement must be filed by the candidate with the Ethics Commission no later than the  
15 deadline for filing nomination papers. On the statement, each candidate shall indicate  
16 whether he or she intends to participate in the public financing program. A statement of  
17 participation or non-participation may not be amended after the deadline for filing nomination  
18 papers, provided that, prior to December 31, 2007, any candidate for the Board of Supervisors  
19 who has filed a Statement of Non-Participation may retract that Statement and file a  
20 Statement of Participation in the public financing program.

21 (b) DECLARATION BY CANDIDATE.

22 ~~(1) Candidates for the Board of Supervisor. To become eligible to receive public financing of~~  
23 ~~campaign expenses under this Chapter, a candidate for the Board of Supervisors shall declare, under~~  
24 ~~penalty of perjury, that the candidate satisfies the requirements specified in Section 1.140. Candidates~~

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1 ~~shall submit the declaration and any supporting material required by the Ethics Commission to the~~  
2 ~~Ethics Commission on or after June 1 of the election year, but no later than the 70th day before the~~  
3 ~~election. Once the declaration and supporting material are submitted, they may not be amended. The~~  
4 ~~declaration and supporting material may be withdrawn and refiled, provided that the refiling is made~~  
5 ~~no later than the 70th day before the election.~~

6 (2) ~~Candidates for Mayor.~~ To become eligible to receive public financing of campaign  
7 expenses under this Chapter, a candidate ~~for Mayor~~ shall declare, under penalty of perjury,  
8 that the candidate satisfies the requirements specified in Section 1.140.5. Candidates shall  
9 be permitted to submit the declaration and any supporting material required by the Ethics  
10 Commission to the Ethics Commission starting nine (9) months before the date of the election,  
11 but no later than the 70th day before the election. Once the declaration and supporting  
12 material are submitted, they may not be amended. The declaration and supporting material  
13 may be withdrawn and refiled, provided that the refiling is made no later than the 70th day  
14 before the election.

15 (3) ~~Extension of Deadlines.~~ If any deadline imposed by this Subsection falls on a  
16 Saturday, Sunday, or legal holiday, the deadline shall be the next business day.

17 (c) DETERMINATION OF ELIGIBILITY. The Executive Director of the Ethics  
18 Commission shall review the candidate's declaration and supporting material to determine  
19 whether the candidate is eligible to receive public funds under this Chapter. The Executive  
20 Director may audit the candidate's records, interview contributors and take whatever steps the  
21 Executive Director deems necessary to determine eligibility. At the request of the Executive  
22 Director, the Controller shall assist in this review process.

23 (d) DETERMINATION OF OPPOSITION. To determine whether a candidate for the  
24 Board of Supervisors is opposed as required under Section ~~1.140(a)(3)~~ 1.140(b)(3) of this  
25

1 Chapter or a candidate for Mayor is opposed as required under Section 1.140(c)(3)  
2 ~~1.140.5(a)(4)~~ of this Chapter, the Executive Director shall review the material filed pursuant to  
3 Section 1.152 of this Chapter, and may review any other material.

4 (e) CERTIFICATION. If the Executive Director determines that a candidate for Mayor  
5 or the Board of Supervisors has satisfied the requirements of Section 1.140 ~~or a candidate for~~  
6 ~~Mayor has satisfied the requirements of Section 1.140.5~~, the Executive Director shall notify the  
7 candidate and certify to the Controller that the candidate is eligible to receive public financing  
8 under this Chapter. The Executive Director shall not certify that a candidate is eligible to  
9 receive public financing if the candidate's declaration or supporting material is incomplete or  
10 otherwise inadequate to establish eligibility. The Executive Director shall determine whether  
11 to certify a candidate no later than 30 days after the date the candidate submits his or her  
12 declaration and supporting material, provided that the Executive Director shall make all  
13 determinations regarding whether to certify a candidate no later than the 55th day before the  
14 election.

15 (f) RESUBMISSION. If the Executive Director declines to certify that a candidate is  
16 eligible to receive public financing under this Chapter, the Executive Director shall notify the  
17 candidate. Notwithstanding Section 1.142(b) of this Chapter, the candidate may, within five  
18 business days of the date of notification, resubmit the declaration and supporting material. If  
19 the candidate does not timely resubmit, the Executive Director's determination is final.

20 If, after viewing resubmitted material, the Executive Director declines to certify that a  
21 candidate is eligible to receive public financing under this Chapter, the Executive Director  
22 shall notify the candidate of this fact. Additional resubmissions may be permitted in the  
23 Executive Director's discretion. If the candidate fails to resubmit in the time specified by the  
24  
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1 Executive Director, or if no further resubmissions are permitted, the Executive Director's  
2 determination is final.

3 ~~(g) RECONSIDERATION. A candidate may request that the Executive Director~~  
4 ~~reconsider a final determination that the candidate is ineligible to receive public funds under~~  
5 ~~this Chapter. The candidate must request reconsideration in writing within five days of the~~  
6 ~~date of notification of ineligibility.~~

7 ~~(g) APPEAL TO THE ETHICS COMMISSION. If, after reconsideration, the~~  
8 Executive Director declines to certify that a candidate is eligible to receive public financing  
9 under this Chapter, the candidate may appeal the Executive Director's final determination to  
10 the Ethics Commission. The candidate must deliver the written appeal to the Ethics  
11 Commission within five days of the date of notification of the Executive Director's  
12 determination following reconsideration.

13  
14 SEC. 1.144. DISBURSEMENT OF PUBLIC FUNDS ~~CANDIDATES FOR THE BOARD~~  
15 ~~OF SUPERVISORS.~~

16 ~~(a) PAYMENT BY CONTROLLER. Upon certifying that a candidate for is eligible to receive~~  
17 ~~public financing under this Chapter, the Executive Director shall forward the certification to the~~  
18 ~~Controller, and the Controller shall disburse payments to the candidate from the Election Campaign~~  
19 ~~Fund in accordance with the certification and this Section.~~

20 ~~(b) TIME OF PAYMENTS. The Controller shall not make any payments under this Chapter to~~  
21 ~~any candidate more than nine (9) months before the date of the election. Payments from the Controller~~  
22 ~~shall be disbursed to eligible candidates within 48 hours of the Controller receiving notification from~~  
23 ~~the Ethics Commission regarding the amount of the disbursement, except that within 60 calendar days~~  
24 ~~before the election, such payments shall be made within 24 hours.~~

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1           (c) PAYMENTS FOR ELECTION EXPENSES TO CANDIDATES FOR MAYOR.

2           (1) Until the Per Candidate Available Disbursement Limit has been determined, candidates for  
3 Mayor who have been certified by the Ethics Commission as eligible to receive public financing for  
4 their election campaigns will have access to up to \$850,000.00 in funds from the Election Campaign  
5 Fund on a first come, first served basis according to the formula set forth in Subsection (c)(3) of this  
6 Section.

7           (2) Once the Per Candidate Available Disbursement Limit has been determined, candidates for  
8 Mayor who have been certified by the Ethics Commission as eligible to receive public financing for  
9 their election campaigns shall have access to funds from the Election Campaign Fund as follows:

10           (A) If the Executive Director determines that the Per Candidate Available Disbursement Limit  
11 is greater than \$850,000.00, each participating candidate shall have access to the amount of the Per  
12 Candidate Disbursement, subject to the limitations set forth under Subsection (c)(3)(D) and (c)(3)(E) of  
13 this Section.

14           (B) If the Executive Director determines the Per Candidate Available Disbursement Limit is  
15 less than or equal to \$850,000.00, participating candidates shall have access to funds from the Election  
16 Campaign Fund on a first come, first served basis up to a maximum per candidate of \$850,000.00.

17           (3) A candidate for Mayor who is certified as eligible to receive public financing under this  
18 Chapter shall receive payments for eligible matching contributions according to the following formula:

19           (A) Upon qualification the candidate shall receive a one-time payment of \$50,000.00 from the  
20 Election Campaign Fund.

21           (B) After the initial payment under Subsection (c)(3)(A), for the first \$100,000.00 in matching  
22 contributions raised by the candidate, the candidate shall receive four dollars from the Election  
23 Campaign Fund for each dollar raised.

1           (C) After the payments under Subsection (c)(3)(B), for the next \$400,000.00 in matching  
2 contributions raised by the candidate, the candidate shall receive one dollar from the Election  
3 Campaign Fund for each dollar raised.

4           (D) The maximum amount of public funds a mayoral candidate may receive is \$850,000.00,  
5 unless the candidate's Individual Expenditure Ceiling is lifted according to the rules set forth under  
6 Section 1.134.5. The amount of public funds paid under this Section shall not be affected by the lifting  
7 of expenditure limits under Section 1.134.

8           (E) If the Per Candidate Available Disbursement Limit has been determined to be an amount  
9 greater than \$850,000.00, a candidate who has already received at least \$850,000.00 in disbursements  
10 from the City shall continue to be eligible to receive public funds from the City at the rate of one dollar  
11 for each dollar of a matching contribution raised up to the Per Candidate Disbursement Limit,  
12 provided that no funds shall be disbursed if disbursement of the funds would result in the candidate  
13 exceeding his or her Trust Account Limit.

14           (d) PAYMENTS FOR ELECTION EXPENSES TO CANDIDATES FOR THE BOARD OF  
15 SUPERVISORS.

16           (1) Until the Per Candidate Available Disbursement Limit has been determined, candidates for  
17 the Board of Supervisors who have been certified by the Ethics Commission as eligible to receive  
18 public financing for their election campaigns will have access to up to \$87,500.00 in funds from the  
19 Mayoral Election Campaign Fund on a first come, first served basis according to the formula set forth  
20 in Subsection (d)(3) of this Section.

21           (2) Once the Per Candidate Available Disbursement Limit has been determined, candidates for  
22 the Board of Supervisors who have been certified by the Ethics Commission as eligible to receive  
23 public financing for their election campaigns shall have access to funds from the Election Campaign  
24 Fund as follows:

1 (A) If the Executive Director determines that the Per Candidate Available Disbursement Limit  
2 is greater than \$87,500.00, each participating candidate shall have access to the amount of the Per  
3 Candidate Disbursement, subject to the limitations set forth under Subsection (d)(3)(D) and (d)(3)(E)  
4 of this Section.

5 (B) If the Executive Director determines the Per Candidate Available Disbursement Limit is  
6 less than or equal to \$87,500.00, participating candidates shall have access to funds from the Election  
7 Campaign Fund on a first come, first served basis up to a maximum per candidate of \$87,500.00.

8 (3) A candidate for the Board of Supervisors who is certified as eligible to receive public  
9 financing under this Chapter shall receive payments for eligible matching contributions according to  
10 the following formula:

11 (A) Upon qualification the candidate shall receive a one-time payment of \$10,000.00 from the  
12 Election Campaign Fund.

13 (B) After the initial payment under Subsection (d)(3)(A), for the first \$10,000.00 in matching  
14 contributions raised by the candidate, the candidate shall receive four dollars from the Election  
15 Campaign Fund for each dollar raised.

16 (C) After the payments under Subsection (d)(3)(B), for the next \$37,500.00 in matching  
17 contributions raised by the candidate, the candidate shall receive one dollar from the Election  
18 Campaign Fund for each dollar raised.

19 (D) The maximum amount of public funds a candidate for the Board of Supervisors may  
20 receive is \$87,500.00, unless the candidate's Individual Expenditure Ceiling is lifted according to the  
21 rules set forth under Section 1.134.5. The amount of public funds paid under this Section shall not be  
22 affected by the lifting of expenditure limits under Section 1.134.

23 (E) If the Per Candidate Available Disbursement Limit has been determined to be an amount  
24 greater than \$87,500.00, a candidate who has already received at least \$87,500.00 in disbursements  
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1 from the City shall continue to be eligible to receive public funds from the City at the rate of one dollar  
2 for each dollar of a matching contribution raised up to the Per Candidate Disbursement Limit,  
3 provided that no funds shall be disbursed if disbursement of the funds would result in the candidate  
4 exceeding his or her Trust Account Limit.

5 (e) PER CANDIDATE AVAILABLE DISBURSEMENT LIMIT. On the 59th day before the  
6 election, the Executive Director shall divide the total amount of non-administrative funds in the  
7 Election Campaign Fund by the number of qualified candidates. This number shall be deemed the Per  
8 Candidate Available Disbursement Limit. For the purposes of this section, the total amount of non-  
9 administrative funds in the Election Campaign Fund shall be the total amount of funds that existed in  
10 the Fund nine months before the date of election plus any funds deposited into the Fund between that  
11 date and the 59th day before the election minus any funds necessary to cover the administrative costs  
12 associated with implementing the public financing program for the next election.

13 If there are candidates who have submitted a Declaration of Qualification but whose eligibility  
14 has not been determined as of the 59th day before the election, the Executive Director shall assume that  
15 they are qualified for the purposes of determining the Per Candidate Available Disbursement Limit.  
16 The Per Candidate Available Disbursement Limit shall be revised upward according to the formula  
17 above if and when it is determined that the candidate or candidates in question did not qualify to  
18 receive public financing.

19 Immediately upon calculating the Per Candidate Available Disbursement Limit, the Executive  
20 Director shall inform the Controller of the initial determination of the Per Candidate Available  
21 Disbursement Limit. Thereafter, the Executive Director shall immediately inform the Controller of any  
22 subsequent changes in the Per Candidate Available Disbursement Limit due to a determination that a  
23 candidate has not qualified to receive public financing.

1           (f) SUBMISSION OF CLAIMS FOR PUBLIC FUNDS. *The Ethics Commission shall*  
2 *determine the information needed to submit a claim for payment of public funds. The Executive*  
3 *Director shall certify each request for payment of public funds within four business days of the request,*  
4 *except that within 14 calendar days before the election, when the certification of a request for public*  
5 *funds shall be made within two business days of the request. For candidates for Mayor, any submission*  
6 *of a claim for public funds must include a minimum of \$5,000.00 of matching contributions; provided*  
7 *that in the 14 calendar days preceding an election, a claim must include a minimum of \$1,000.00 of*  
8 *matching contributions. For candidates for the Board of Supervisors, any submission of a claim for*  
9 *public funds must include a minimum of \$500.00 of matching contributions; provided that in the 14*  
10 *calendar days preceding an election, a claim must include a minimum of \$100.00 of matching*  
11 *contributions. All claims for public funds must be submitted no later than 5:00 p.m. on the 30th day*  
12 *following the date of the election.*

13           (g) DEPOSIT IN CAMPAIGN CONTRIBUTION TRUST ACCOUNT. *Candidates must deposit*  
14 *all payments received from the Election Campaign Fund in the candidate's Campaign Contribution*  
15 *Trust Account.*

16           ~~(a) PAYMENT BY CONTROLLER.~~ *Upon certifying that a candidate for the Board of*  
17 *Supervisors is eligible to receive public financing under this Chapter, the Executive Director shall*  
18 *forward the certification to the Controller and the Controller shall disburse payments to the candidate*  
19 *from the Supervisor Election Campaign Fund in accordance with the certification and this Section.*

20           ~~(b) TIME OF PAYMENTS.~~ *The Controller shall not make any payments under this Chapter to*  
21 *a candidate for the Board of Supervisors until the day following the deadline for filing nomination*  
22 *papers with the Director of Elections.*

23           ~~(c) PAYMENTS FOR ELECTION EXPENSES.~~ *Upon certification of eligibility, and in*  
24 *accordance with subsection (b) of this Section, the candidate shall receive a payment of \$5,000.00 from*  
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1 ~~the Supervisor Election Campaign Fund. Thereafter, for each of the first \$5,000.00 dollars of matching~~  
2 ~~contributions raised by the candidate, the candidate shall receive four dollars from the Supervisor~~  
3 ~~Election Campaign Fund. Thereafter, for each additional dollar of matching contributions raised by~~  
4 ~~the candidate, the candidate shall receive one dollar from the Supervisor Election Campaign Fund. The~~  
5 ~~maximum amount of public funds a candidate for the Board of Supervisors may receive to defray~~  
6 ~~election expenses under this Chapter is \$43,750.00. The amount of public funds paid to a candidate for~~  
7 ~~the Board of Supervisors under this Section shall not be affected by the lifting of expenditure limits~~  
8 ~~under Section 1.134.~~

9 ~~(d) PRORATION OF FUNDS. Notwithstanding Subsections (c) and (d) of this Section, if the~~  
10 ~~Executive Director makes an initial or the Ethics Commission makes a final determination, pursuant to~~  
11 ~~Section 1.154(b) of this Chapter, that funds in the Supervisor Election Campaign Fund are insufficient,~~  
12 ~~the Executive Director or the Commission shall distribute the money in the Fund on a pro rata basis to~~  
13 ~~all candidates who are certified as eligible to receive public funds.~~

14 ~~(e) DEPOSIT IN CAMPAIGN CONTRIBUTION TRUST ACCOUNT. Candidates must deposit~~  
15 ~~all payments received from the Supervisor Election Campaign Fund in the candidate's Campaign~~  
16 ~~Contribution Trust Account.~~

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18 SEC. 1.146. TERMINATION OF PAYMENTS.

19 The Controller shall terminate all payments to a candidate who is otherwise eligible to  
20 receive public financing if the candidate:

21 (a) Withdraws or fails to qualify to have his or her name printed on the ballot for the  
22 election for which the candidate applied for public financing;

23 (b) Fails to comply with the conditions specified in Section 1.140 of this Chapter ~~if a~~  
24 ~~candidate for the Board of Supervisors or Section 1.140.5 if a candidate for Mayor~~; or

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1 (c) Knowingly or willfully fails to comply with any of the reporting requirements  
2 imposed by this Chapter or the Political Reform Act, California Government Code Section  
3 81000, et seq.  
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5 SEC. 1.148. RESTRICTIONS ON USE OF PUBLIC FUNDS; UNEXPENDED PUBLIC  
6 FUNDS.

7 (a) USE FOR QUALIFIED CAMPAIGN EXPENDITURES ONLY. Candidates who  
8 receive public financing may use the public funds solely to pay for qualified campaign  
9 expenditures, as defined by Section 1.104 of this Chapter, and to repay loans used to pay for  
10 qualified campaign expenditures except that public funds may be used to pay filing fees and  
11 costs incurred after the election that do not directly affect the outcome of the election,  
12 including but not limited to utility bills, expenses associated with an audit, and expenses  
13 related to preparing post-election campaign finance disclosure reports as required by the  
14 California Political Reform Act, Government Code Section 81000, et seq., and the provisions  
15 of this Chapter. Candidates may not use public funds to pay for expenses incurred in  
16 connection with an administrative or judicial proceeding. Candidates may not use public  
17 funds to pay administrative, civil or criminal fines, including late filing fines, or to pay for  
18 inaugural activities or officeholder expenses. Candidates may not use public funds to pay  
19 post-election bonuses to campaign employees or for election victory celebrations or similar  
20 post-election campaign events.

21 (b) PURCHASE OF EQUIPMENT. Any equipment purchased by a candidate with  
22 public funds provided under this Chapter that has a useful life beyond the election campaign  
23 for which the funds were provided, and a fair market value exceeding \$100.00, becomes City  
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1 and County property on the day following the date the candidate is elected or not elected to  
2 office.

3 (c) WITHDRAWAL OR FAILURE TO QUALIFY. Any candidate who receives public  
4 financing but who withdraws or fails to qualify to have his or her name printed on the ballot in  
5 the election for which the public funds were provided shall repay the ~~Supervisor~~ Election  
6 Campaign Fund *if the candidate was a candidate for the Board of Supervisors or to the Mayoral*  
7 *Election Campaign Fund if the candidate was a candidate for Mayor* the full sum received from the  
8 Fund.

9 (d) UNEXPENDED PUBLIC FUNDS.

10 (i) General. Any candidate who receives public financing and who has unexpended  
11 public funds shall pay to the City and County of San Francisco and deliver to the Ethics  
12 Commission those funds for deposit in the ~~Supervisor~~ Election Campaign Fund *if the candidate*  
13 *was a candidate for the Board of Supervisors or to the Mayoral Election Campaign Fund if the*  
14 *candidate was a candidate for Mayor* no later than 30 days after the Ethics Commission  
15 completes its audit of the candidate. Unexpended funds may be used to pay for expenses  
16 associated with an audit such as bank fees, treasurer fees and storage fees until the Ethics  
17 Commission completes its audit of the candidate.

18 (ii) Definition. For purposes of this Section, unexpended public funds shall mean all  
19 funds remaining in the candidate's account on the 30th day after the candidate is elected or  
20 not elected to office, regardless of the source of the funds, but shall not exceed the amount of  
21 public funds provided to the candidate. Funds raised after this date do not constitute  
22 unexpended funds and may be used for any lawful purpose.

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1 SEC. 1.150. AUDIT; REPAYMENT.

2 (a) AUDIT. The Ethics Commission shall audit all candidates who receive public  
3 financing under this Chapter. Audits of candidates ~~for Mayor~~ conducted under this Subsection  
4 shall begin within 60 days after the date the candidates' first post-election campaign  
5 disclosure report is required to be filed pursuant to Section 1.106 of this Chapter. At the  
6 request of the Executive Director, the Controller shall assist in conducting these audits.

7 (b) REPAYMENT.

8 (1) If the Ethics Commission determines that any portion of the payments made to a  
9 candidate from the ~~Supervisor~~ Election Campaign Fund ~~or the Mayoral Election Campaign Fund~~  
10 exceeded the aggregate amount of payments to which the candidate was entitled under this  
11 Chapter, the Commission shall notify the Controller and the candidate. In addition to any  
12 other penalties, the candidate shall pay to the City and County of San Francisco, and deliver  
13 to the Ethics Commission an amount equal to the amount of the excess payments, and if the  
14 Commission determines that any amount of any payment made to a candidate from the  
15 ~~Supervisor~~ Election Campaign Fund ~~or the Mayoral Election Campaign Fund~~ was used for  
16 something other than qualified campaign expenditures, the candidate shall pay to the Ethics  
17 Commission an amount equal to the improper expenditure.

18 (2) Any candidate ~~for Mayor~~ who receives public funds under this Chapter and  
19 exceeds his or her Individual Expenditure Ceiling by ten percent or more shall, in addition to  
20 any other penalties, pay to the Ethics Commission an amount equal to the amount of public  
21 funds the candidate received under this Chapter.

22 ~~(3) Any candidate for the Board of Supervisors who receives public funds under this Chapter~~  
23 ~~and who exceeds, by ten percent or more, an expenditure ceiling that has not been lifted shall, in~~  
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1 *addition to any other penalties, pay to the Ethics Commission an amount equal to the amount of public*  
2 *funds the candidate received under this Chapter.*

3 (4~~3~~) All payments delivered to the Ethics Commission under this Section shall be  
4 deposited in the ~~Supervisor~~ Election Campaign Fund *if made by a candidate for the Board of*  
5 *Supervisors or in the Mayoral Election Campaign Fund if made by a candidate for Mayor.*

6  
7 SEC. 1.152. SUPPLEMENTAL REPORTING IN ELECTIONS FOR BOARD OF  
8 SUPERVISORS AND MAYOR.

9 (a) ~~CANDIDATE~~SELECTIONS FOR THE BOARD OF SUPERVISORS.

10 *(1) In addition to the campaign disclosure requirements imposed by the California Political*  
11 *Reform Act and other provisions of this Chapter, each candidate for the Board of Supervisors shall file*  
12 *a statement with the Ethics Commission indicating when the candidate has received contributions,*  
13 *made expenditures or has funds in his or her Campaign Contribution Trust Account that in the*  
14 *aggregate equal or exceed ~~\$5405,000.00~~ within 24 hours of reaching or exceeding that amount.*

15 *(2) In addition to the supplemental report in Subsection (a)(1) of this Section, each candidate*  
16 *for the Board of Supervisors shall file a statement with the Ethics Commission disclosing when the*  
17 *candidate has received contributions, made expenditures or has funds in his or her Campaign*  
18 *Contribution Trust Account that in the aggregate equal or exceed ~~\$40140100,000.00~~. The candidate*  
19 *shall file this report within 24 hours of reaching or exceeding the threshold. Thereafter, the candidate*  
20 *shall file an additional supplemental report within 24 hours of every time the candidate receives*  
21 *additional contributions, makes additional expenditures or has additional funds in his or her campaign*  
22 *trust account that in the aggregate equal or exceed ~~\$510,000.00~~.*

23 *(3) Any person that makes independent expenditures, electioneering communications, or*  
24 *member communications that clearly identify any candidate for the Board of Supervisors in an amount*  
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1 that in the aggregate equals or exceeds \$5,000.00, shall, within 24 hours of reaching or exceeding the  
2 spending threshold, provide an original copy of the communication to the Ethics Commission and file a  
3 statement with the Ethics Commission disclosing the cost of each communication. Every person who is  
4 required to file a statement with the Ethics Commission pursuant to this Subsection shall indicate on  
5 the statement which candidate or candidates for the Board of Supervisors the independent  
6 expenditures, electioneering communications, or member communications disclosed on the statement  
7 are intended to support or oppose, or whether they are intended to be neutral, provided that an  
8 independent expenditure may not be neutral. For the purposes of this Subsection, the costs of a  
9 communication that supports or opposes more than one candidate or ballot measure shall be  
10 apportioned among each candidate and measure in the communication.

11 Thereafter, any such person shall file a supplemental statement with the Ethics Commission  
12 each time the person makes independent expenditures, electioneering communications or member  
13 communications in support of or in opposition to any candidate for the Board of Supervisors in an  
14 amount that in the aggregate equals or exceeds an additional \$5,000.00. The supplemental statements  
15 shall be filed within 24 hours of reaching or exceeding the spending threshold.

16 The Executive Director shall post the information disclosed on statements required by this  
17 subsection on the web page of the Ethics Commission within two business days of the statement being  
18 filed.

19 In addition to the campaign disclosure requirements imposed by the California Political Reform  
20 Act and other provisions of this Chapter, each candidate for the Board of Supervisors who has filed a  
21 statement indicating that he or she does not intend to participate in the public financing program under  
22 Section 1.142(a) of this Chapter or who has received notice under Section 1.142 that the candidate is  
23 ineligible to receive public funds under this Chapter shall, no later than the deadline for filing  
24 nomination papers, file a statement with the Ethics Commission indicating whether the  
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1 ~~nonparticipating candidate has received contributions, made expenditures or has funds in his or her~~  
2 ~~campaign trust account that in the aggregate equal or exceed \$5,000.00. If the nonparticipating~~  
3 ~~candidate first reaches or exceeds the \$5,000.00 threshold after the deadline for filing nomination~~  
4 ~~papers, or receives notice of ineligibility to receive public funds after that date, the nonparticipating~~  
5 ~~candidate shall, within 24 hours of reaching or exceeding the threshold or receiving notice of~~  
6 ~~ineligibility, file a statement indicating this fact with the Ethics Commission. The supplemental reports~~  
7 ~~are not required if no candidate in a race seeks public financing or if the Executive Director of the~~  
8 ~~Ethics Commission has determined that at least two candidates in a race have received contributions or~~  
9 ~~have funds in their campaign trust account that equal or exceed \$5,000.00.~~

10 (b) CANDIDATES ELECTIONS FOR MAYOR.

11 (1) In addition to the campaign disclosure requirements imposed by the California  
12 Political Reform Act and other provisions of this Chapter, each candidate for Mayor shall file a  
13 statement with the Ethics Commission indicating when the candidate has received  
14 contributions, made expenditures or has funds in his or her Campaign Contribution Trust  
15 Account that in the aggregate equal or exceed \$50,000.00 within 24 hours of reaching or  
16 exceeding that amount.

17 (2) In addition to the supplemental report in Subsection (b)(1) of this Section, each  
18 candidate for Mayor shall file a statement with the Ethics Commission disclosing when the  
19 candidate has received contributions, made expenditures or has funds in his or her Campaign  
20 Contribution Trust Account that in the aggregate equal or exceed \$1,000,000.00. The  
21 candidate shall file this report within 24 hours of reaching or exceeding the threshold.  
22 Thereafter, the candidate shall file an additional supplemental report within 24 hours of every  
23 time the candidate receives additional contributions, makes additional expenditures or has  
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1 additional funds in his or her campaign trust account that in the aggregate equal or exceed  
2 \$50,000.00.

3 (3) Any person that makes independent expenditures, electioneering communications,  
4 or member communications that clearly identify any candidate for Mayor in an amount that in  
5 the aggregate equals or exceeds \$5,000.00, shall, within 24 hours of reaching or exceeding  
6 the spending threshold, provide an original copy of the communication to the Ethics  
7 Commission and file a statement with the Ethics Commission disclosing the cost of each  
8 communication. Every person who is required to file a statement with the Ethics Commission  
9 pursuant to this Subsection shall indicate on the statement which candidate or candidates for  
10 Mayor the independent expenditures, electioneering communications, or member  
11 communications disclosed on the statement are intended to support or oppose, or whether  
12 they are intended to be neutral, provided that an independent expenditure may not be neutral.  
13 For the purposes of this Subsection, the costs of a communication that supports or opposes  
14 more than one candidate or ballot measure shall be apportioned among each candidate and  
15 measure in the communication.

16 Thereafter, any such person shall file a supplemental statement with the Ethics  
17 Commission each time the person makes independent expenditures, electioneering  
18 communications or member communications in support of or in opposition to any candidate  
19 for Mayor in an amount that in the aggregate equals or exceeds an additional \$5,000.00. The  
20 supplemental statements shall be filed within 24 hours of reaching or exceeding the spending  
21 threshold.

22 The Executive Director shall post the information disclosed on statements required by  
23 this subsection on the web page of the Ethics Commission within two business days of the  
24 statement being filed.

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1           (4c) The supplemental statements required by Subsections (a)(2), (a)(3), (b)(2) and  
2 (b)(3) are not required until the Ethics Commission has certified that at least one candidate for  
3 ~~Mayor~~ is eligible to receive public funds under this Chapter, provided that within two days of  
4 the date that the Ethics Commission provides notice under this subsection that it has certified  
5 that a candidate ~~for Mayor~~ is eligible to receive public funds under this Chapter any report that  
6 would be required under (a)(2), (a)(3), (b)(2) or (b)(3) must be filed. Within two business days  
7 of certifying that at least one candidate ~~for Mayor~~ is eligible to receive public financing under  
8 this Chapter, the Ethics Commission shall post a notice on its web page, send out a press  
9 release and send written notice by regular or electronic mail to any person who has requested  
10 such notice.

11  
12           SEC. 1.154. INSUFFICIENT FUNDS IN ~~SUPERVISOR~~ ELECTION CAMPAIGN FUND.

13           (a) REPORT BY CONTROLLER. At the request of the Ethics Commission, the  
14 Controller shall provide a statement of the total amount of funds in the ~~Supervisor~~ Election  
15 Campaign Fund.

16           (b) INSUFFICIENT FUNDS.

17           (1) Elections for Mayor. No later than August 1 before an election for Mayor, the Executive  
18 Director shall notify the Commission and the Board of Supervisors whether \$8.00 per resident, after  
19 subtracting 15% for the administrative expenses provided under section 1.138(b)(2), exists in  
20 the Election Campaign Fund. If \$8.00 per resident, plus 15% for administrative expenses, does not  
21 exist in the Election Campaign Fund, the Commission may, in accordance with the fiscal provisions of  
22 the Charter, request a supplemental appropriation from the Board of Supervisors and the Mayor to  
23 provide additional funding to the Election Campaign Fund so that \$8.00 per resident, plus 15% for

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1 administrative expenses, exists in the fund for the upcoming election. This requirement shall not  
2 apply to any election held to fill the vacancy for the remainder of a term.

3 (2) Elections for the Board of Supervisors. No later than August 1 before an election for the  
4 Board of Supervisors, the Executive Director shall notify the Commission and the Board of Supervisors  
5 whether \$1.50 per resident, after subtracting 15% for the administrative expenses provided  
6 under section 1.138(b)(2), exists in the Election Campaign Fund. If \$1.50 per resident, plus 15%  
7 for administrative expenses, does not exist in the Election Campaign Fund, the Commission may, in  
8 accordance with the fiscal provisions of the Charter, request a supplemental appropriation from the  
9 Board of Supervisors and the Mayor to provide additional funding to the Election Campaign Fund so  
10 that \$1.50 per resident, plus 15% for administrative expenses, exists in the fund for the upcoming  
11 election. This requirement shall not apply to any election held to fill the vacancy for the remainder of a  
12 term.

13 ~~*DETERMINATION. Within 24 hours of the deadline for filing nomination papers, the Executive*~~  
14 ~~*Director shall notify the Controller whether the amount in the Supervisor Election Campaign Fund is*~~  
15 ~~*sufficient to fund all candidates who have filed a notice of intent to participate in the public financing*~~  
16 ~~*program and who may be eligible to receive public financing. No later than 60 days before the election,*~~  
17 ~~*the Ethics Commission shall make a final determination whether the amount in the Supervisor Election*~~  
18 ~~*Campaign Fund is sufficient to fund all candidates for the Board of Supervisors who may be eligible to*~~  
19 ~~*receive public financing for their election campaigns under this Chapter. If the Executive Director's*~~  
20 ~~*initial or the Commission's final determination is that the amount in the Fund is insufficient, the*~~  
21 ~~*Executive Director or the Commission shall distribute the money in the Fund on a pro rata basis to all*~~  
22 ~~*candidates who are certified as eligible to receive public funds. Notwithstanding an initial*~~  
23 ~~*determination that the funds are insufficient and the distribution of some funds on a pro rata basis, if*~~  
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1 ~~the Commission makes a final determination that there are sufficient funds for all eligible candidates,~~  
2 ~~the Commission may distribute the full amount of funds to eligible candidates.~~

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1 SEC. 1.156. REPORT TO THE MAYOR AND BOARD OF SUPERVISORS.

2 (a) Following each election at which the Mayor or members of the Board of  
3 Supervisors are elected, the Ethics Commission shall submit a report to the Mayor and Board  
4 of Supervisors. The report shall state the amount of public funds used to pay for election  
5 campaigns in that election and such other information as the Ethics Commission deems  
6 useful, including the number of candidates who received public funds; the number of  
7 nonparticipating candidates; the amount of qualified campaign expenditures made by all  
8 candidates in that election; and the amount of independent expenditures made in connection  
9 with the election.

10 (b) Following the November 2007 municipal election, the Ethics Commission shall  
11 conduct a study and submit a report to the Mayor and Board of Supervisors regarding the  
12 feasibility and costs of converting the partial public financing program for Mayoral candidates  
13 into a full public financing program. Following the November 2008 municipal election, the Ethics  
14 Commission shall conduct a study and submit a report to the Mayor and Board of Supervisors  
15 regarding the feasibility and costs of converting the partial public financing program for candidates for  
16 the Board of Supervisors into a full public financing program.

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18 SEC. 1.170. PENALTIES.

19 (a) CRIMINAL. Any person who knowingly or willfully violates any provision of this  
20 Chapter shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a  
21 fine of not more than \$5,000.00 for each violation or by imprisonment in the County jail for a  
22 period of not more than six months or by both such fine and imprisonment; provided, however,  
23 that any willful or knowing failure to report contributions or expenditures done with intent to  
24 mislead or deceive or any willful or knowing violation of the provisions of Section 1.114 of this  
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1 Chapter shall be punishable by a fine of not less than \$5,000 for each violation or three times  
2 the amount not reported or the amount received in excess of the amount allowable pursuant  
3 to Section 1.114 of this Chapter, or three times the amount expended in excess of the amount  
4 allowable pursuant to Section 1.130 or 1.140.5, whichever is greater.

5 (b) CIVIL. Any person who intentionally or negligently violates any of the provisions of  
6 this Chapter shall be liable in a civil action brought by the civil prosecutor for an amount up to  
7 \$5,000.00 for each violation or three times the amount not reported or the amount received in  
8 excess of the amount allowable pursuant to Section 1.114 or three times the amount  
9 expended in excess of the amount allowable pursuant to Section 1.130 or 1.140.5, whichever  
10 is greater.

11 (c) ADMINISTRATIVE. Any person who intentionally or negligently violates any of the  
12 provisions of this Chapter shall be liable in an administrative proceeding before the Ethics  
13 Commission held pursuant to the Charter for an amount up to \$5,000.00 for each violation, or  
14 three times the amount not reported or the amount received in excess of the amount  
15 allowable pursuant to Section 1.114 or three times the amount expended in excess of the  
16 amount allowable pursuant to Section 1.130 or 1.140.5, whichever is greater.

17 (d) LATE FILING FEES

18 (1) Fees for Late Paper Filings. In addition to any other penalty, any person who files  
19 a paper copy of any statement or report after the deadline imposed by this Chapter shall be  
20 liable in the amount of ten dollars (\$10.00) per day after the deadline until the statement is  
21 filed.

22 (2) Fees for Late Electronic Filings. In addition to any other penalty, any person who  
23 files an electronic copy of a statement or report after the deadline imposed by this Chapter  
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1 shall be liable in the amount of twenty-five dollars (\$25.00) per day after the deadline until the  
2 electronic copy or report is filed.

3 (3) Limitation on Liability. Liability imposed by Subsection (d)(1) shall not exceed the  
4 cumulative amount stated in the late statement or report, or one hundred dollars (\$100.00),  
5 whichever is greater. Liability imposed by Subsection (d)(2) shall not exceed the cumulative  
6 amount stated in the late statement or report, or two hundred fifty dollars (\$250.00), whichever  
7 is greater.

8 (4) Reduction or Waiver. The Ethics Commission may reduce or waive a fee imposed  
9 by this subsection if the Commission determines that the late filing was not willful and that  
10 enforcement will not further the purposes of this Chapter.

11 (e) MISUSE OF PUBLIC FUNDS. Any person who willfully or knowingly uses public  
12 funds, paid pursuant to this Chapter, for any purpose other than the purposes authorized by  
13 this Chapter shall be subject to the penalties provided in this Section.

14 (f) PROVISION OF FALSE OR MISLEADING INFORMATION TO THE ETHICS  
15 COMMISSION; WITHHOLDING OF INFORMATION. Any person who knowingly or willfully  
16 furnishes false or fraudulent evidence, documents, or information to the Ethics Commission  
17 under this Chapter, or misrepresents any material fact, or conceals any evidence, documents,  
18 or information, or fails to furnish to the Ethics Commission any records, documents, or other  
19 information required to be provided under this Chapter shall be subject to the penalties  
20 provided in this Section.

21 (g) PERSONAL LIABILITY. Candidates and treasurers are responsible for complying  
22 with this Chapter and may be held personally liable for violations by their committees.

23 (h) JOINT AND SEVERAL LIABILITY. If two or more persons are responsible for any  
24 violation of this Chapter, they shall be jointly and severally liable.

25

1 (i) EFFECT OF VIOLATION ON OUTCOME OF ELECTION.

2 (1) If a candidate is convicted of a violation of this Chapter at any time prior to his or  
3 her election, his or her candidacy shall be terminated immediately and he or she shall be no  
4 longer eligible for election, unless the court at the time of sentencing specifically determines  
5 that this provision shall not be applicable. No person convicted of a misdemeanor under this  
6 Chapter after his or her election shall be a candidate for any other City elective office for a  
7 period of five years following the date of the conviction unless the court shall at the time of  
8 sentencing specifically determine that this provision shall not be applicable.

9 (2) If a candidate for Mayor or the Board of Supervisors is found by a court to have  
10 exceeded the Individual Expenditure Ceiling in this Chapter by ten percent or more at any  
11 time prior to his or her election, he or she is ineligible for election, unless the court specifically  
12 determines that this provision shall not be applicable. If feasible, the candidate's name shall  
13 be removed from the ballot. No candidate for Mayor or the Board of Supervisors who is found  
14 by a court to have exceeded the Individual Expenditure Ceiling in this Chapter by ten percent  
15 or more after his or her election shall be a candidate for any City elective office for a period of  
16 5 years following the court's determination unless the court specifically determines that this  
17 provision shall not be applicable. The Ethics Commission may make a recommendation to  
18 the Board of Supervisors that a candidate found by a court to have exceeded the Individual  
19 Expenditure Ceiling in this Chapter by ten percent or more should be removed from office.

20 (3) A plea of nolo contendere shall be deemed a conviction for purposes of this  
21 Section.

1 Section 2. The San Francisco Campaign and Governmental Conduct Code is hereby  
2 amended by repealing Sections 1.138.5, 1.140.5 and 1.144.5, as follows:

3  
4 ~~SEC. 1.138.5. MAYORAL ELECTION CAMPAIGN FUND; APPROPRIATION OF FUNDS.~~

5 ~~(a) ESTABLISHMENT OF MAYORAL ELECTION CAMPAIGN FUND. There is established a~~  
6 ~~special fund of the City and County of San Francisco called the Mayoral Election Campaign Fund. All~~  
7 ~~money deposited in the Fund is appropriated for use as specified in this Chapter and the implementing~~  
8 ~~regulations. This special fund is separate from the Election Campaign Fund established in Section~~  
9 ~~1.138(a) of this Chapter.~~

10 ~~(b) APPROPRIATION TO MAYORAL ELECTION CAMPAIGN FUND. Except as provided in~~  
11 ~~subsections (b)(3) and (b)(4), each fiscal year the City and County of San Francisco shall appropriate~~  
12 ~~\$2.00 per resident of the City and County of San Francisco to the Mayoral Election Campaign Fund to~~  
13 ~~provide funding for election campaigns as authorized by this Chapter for all candidates for Mayor who~~  
14 ~~may be eligible to receive such funds. At the request of the Ethics Commission, the Controller shall~~  
15 ~~estimate the number of residents of the City and County of San Francisco for purposes of this~~  
16 ~~subsection.~~

17 ~~(1) Any funds in the Mayoral Election Campaign Fund not used in one election shall be~~  
18 ~~carried over for use in the following election, provided that at no time shall the total amount in the~~  
19 ~~Mayoral Election Campaign Fund exceed \$12 million. Any funds in the Mayoral Election Campaign~~  
20 ~~Fund in excess of \$12 million shall be returned to the General Fund.~~

21 ~~(2) Funds necessary for the Ethics Commission to administer the public financing program for~~  
22 ~~candidates for Mayor authorized under section 1.136 of this Chapter shall be taken from the Mayoral~~  
23 ~~Election Campaign Fund. The Commission's administrative expenses for such public financing~~

1 *program for any election shall not exceed 15% of the total amount of funds in the Mayoral Election*  
2 *Campaign Fund for that election.*

3 *(3) In order to ensure that four years worth of appropriations under this subsection are*  
4 *available to provide public financing to candidates seeking election at the next mayoral election, the*  
5 *City and County of San Francisco shall appropriate \$8.00 per resident of the City and County of San*  
6 *Francisco to the Mayoral Election Campaign Fund by July 1, 2006.*

7 *(4) If the Office of Mayor becomes vacant and an election is held to fill the vacancy for the*  
8 *remainder of the term, the City and County of San Francisco shall appropriate additional funds to the*  
9 *Mayoral Election Campaign Fund in an amount that ensures that at least \$8.00 per resident is*  
10 *available in the Mayoral Election Campaign Fund for that election and the next regularly scheduled*  
11 *Mayoral election.*

12  
13 **~~SEC. 1.140.5. ELIGIBILITY TO RECEIVE PUBLIC FINANCING CANDIDATES FOR~~**  
14 **~~MAYOR.~~**

15 *~~(a) REQUIREMENTS FOR CANDIDATES. To be eligible to receive public financing of~~*  
16 *~~campaign expenses under this Chapter, a candidate for Mayor must:~~*

17 *~~(1) Be seeking election to the office of Mayor and be eligible to hold the office sought;~~*

18 *~~(2) Have submitted a declaration under Section 1.142(b) of this Chapter indicating that the~~*  
19 *~~candidate meets the eligibility criteria of this Section;~~*

20 *~~(3) Have received at least \$25,000.00 in qualifying contributions from at least 250~~*  
21 *~~contributors by the 70th day before the election.~~*

22 *~~(4) Be opposed by another candidate who has either established eligibility to receive public~~*  
23 *~~financing, or received contributions or made expenditures that in the aggregate equal or exceed~~*  
24 *~~\$50,000.00;~~*

1           ~~(5) Agree to the following conditions:~~

2           ~~(i) The candidate shall not spend on the candidate's campaign more than the candidate's~~  
3 ~~Individual Expenditure Ceiling of \$1,375,000.00, or as adjusted under Section 1.134.5 of this Chapter;~~

4           ~~(ii) The candidate bears the burden of proving that each contribution the candidate relies upon~~  
5 ~~to establish eligibility is a qualifying contribution and that all contributions comply with the~~  
6 ~~requirements set forth in this Chapter;~~

7           ~~(iii) The candidate bears the burden of proving that expenditures made with public funds~~  
8 ~~provided under this Chapter comply with Section 1.148 of this Chapter;~~

9           ~~(iv) The candidate will not make any payments to a contractor or vendor in return for the~~  
10 ~~contractor or vendor making a campaign contribution to the candidate or make more than a total of 50~~  
11 ~~payments, other than the return of a contribution, to contractors or vendors that have made~~  
12 ~~contributions to the candidate;~~

13           ~~(v) Notwithstanding Sections 1.114 and 1.116, the candidate shall not loan or donate more~~  
14 ~~than \$5,000.00 of his or her own money to the campaign;~~

15           ~~(vi) The candidate shall not accept any loans to his or her campaign with the exception of a~~  
16 ~~candidate's loan to his or her own campaign as permitted by this Section; and~~

17           ~~(vii) The candidate shall agree to participate in at least three (3) debates with the candidate's~~  
18 ~~opponents.~~

19           ~~(6) Have paid any outstanding late fines or penalties, owed to the City by the candidate or any~~  
20 ~~of the candidate's previous campaign committees, which were imposed for violations of Chapters 1~~  
21 ~~through 5 of this Article, the campaign finance provisions of the California Political Reform Act~~  
22 ~~(Government Code Sections 84100–85704), Chapter 1 of Article II of this Code or Chapters 1 or 2 of~~  
23 ~~Article III of this Code, provided that the Ethics Commission had notified the candidate of such fines or~~  
24 ~~penalties by the time of certification;~~

1           ~~(7) Have filed any outstanding forms, owed to the City by the candidate or any of the~~  
2 ~~candidate's previous campaign committees, which were required to be filed pursuant to Chapters 1~~  
3 ~~through 5 of this Article, the campaign finance provisions of the Political Reform Act (Government~~  
4 ~~Code Sections 84100–85704), or Chapter 1, Article III of this Code, provided that the Ethics~~  
5 ~~Commission had notified the candidate of such outstanding forms by the time of certification;~~

6           ~~(8) Have no finding by a court within the prior five years that the candidate knowingly,~~  
7 ~~willfully, or intentionally violated Chapters 1 through 4 of this Article or the campaign finance~~  
8 ~~provisions of the California Political Reform Act (Government Code Sections 84100–85704). For~~  
9 ~~purposes of this section, a plea of nolo contendere shall be treated the same as a finding by a court of a~~  
10 ~~willful violation.~~

11           ~~(b) ADJUSTMENT OF EXPENDITURE LIMITS AND THRESHOLDS. The Ethics~~  
12 ~~Commission shall adjust:~~

13           ~~(1) The figures in Subsections (a)(3), (a)(4), and (a)(5) of this Section to reflect changes in the~~  
14 ~~California Consumer Price Index, provided that such adjustments shall be rounded off to the nearest~~  
15 ~~\$5,000.00; and~~

16           ~~(2) The maximum amount of a contribution that constitutes a qualifying contribution for~~  
17 ~~mayoral candidates pursuant to Section 1.104 to reflect changes in the California Consumer Price~~  
18 ~~Index, provided that such adjustments shall be rounded off to the nearest \$10.00.~~

19  
20           ~~SEC. 1.144.5. DISBURSEMENT OF PUBLIC FUNDS—CANDIDATES FOR MAYOR.~~

21           ~~(a) PAYMENT BY CONTROLLER. Upon certifying that a candidate for Mayor is eligible to~~  
22 ~~receive public financing under this Chapter, the Executive Director shall forward the certification to~~  
23 ~~the Controller, and the Controller shall disburse payments to the candidate from the Mayoral Election~~  
24 ~~Campaign Fund in accordance with the certification and this Section.~~



1           ~~(b) TIME OF PAYMENTS. The Controller shall not make any payments under this Chapter to~~  
2 ~~any candidate for Mayor more than nine (9) months before the date of the election. Payments from the~~  
3 ~~Controller shall be disbursed to eligible candidates within 48 hours of the Controller receiving~~  
4 ~~notification from the Ethics Commission regarding the amount of the disbursement, except that within~~  
5 ~~60 calendar days before the election, such payments shall be made within 24 hours.~~

6           ~~(c) PAYMENTS FOR ELECTION EXPENSES.~~

7           ~~(1) Until the Per Candidate Available Disbursement Limit has been determined, candidates for~~  
8 ~~Mayor who have been certified by the Ethics Commission as eligible to receive public financing for~~  
9 ~~their election campaigns will have access to up to \$850,000.00 in funds from the Mayoral Election~~  
10 ~~Campaign Fund on a first come, first served basis according to the formula set forth in Subsection~~  
11 ~~(c)(3) of this Section.~~

12           ~~(2) Once the Per Candidate Available Disbursement Limit has been determined, candidates for~~  
13 ~~Mayor who have been certified by the Ethics Commission as eligible to receive public financing for~~  
14 ~~their election campaigns shall have access to funds from the Mayoral Election Campaign Fund as~~  
15 ~~follows:~~

16           ~~(A) If the Executive Director determines that the Per Candidate Available Disbursement Limit~~  
17 ~~is greater than \$850,000.00, each participating candidate shall have access to the amount of the Per~~  
18 ~~Candidate Disbursement, subject to the limitations set forth under Subsection (c)(3)(D) and (c)(3)(E) of~~  
19 ~~this Section.~~

20           ~~(B) If the Executive Director determines the Per Candidate Available Disbursement Limit is~~  
21 ~~less than or equal to \$850,000.00, participating candidates shall have access to funds from the~~  
22 ~~Mayoral Election Campaign Fund on a first come, first served basis up to a maximum per candidate of~~  
23 ~~\$850,000.00.~~

1           ~~(3) A candidate for Mayor who is certified as eligible to receive public financing under this~~  
2 ~~Chapter shall receive payments for eligible matching contributions according to the following formula:~~

3           ~~(A) Upon qualification the candidate shall receive a one time payment of \$50,000.00 from the~~  
4 ~~Mayoral Election Campaign Fund.~~

5           ~~(B) After the initial payment under Subsection (c)(3)(A), for the first \$100,000.00 in matching~~  
6 ~~contributions raised by the candidate, the candidate shall receive four dollars from the Mayoral~~  
7 ~~Election Campaign Fund for each dollar raised.~~

8           ~~(C) After the payments under Subsection (c)(3)(B), for the next \$400,000.00 in matching~~  
9 ~~contributions raised by the candidate, the candidate shall receive one dollar from the Mayoral Election~~  
10 ~~Campaign Fund for each dollar raised.~~

11           ~~(D) The maximum amount of public funds a mayoral candidate may receive is \$850,000.00,~~  
12 ~~unless the candidate's Individual Expenditure Ceiling is lifted according to the rules set forth under~~  
13 ~~Section 1.134.5. The amount of public funds paid under this Section shall not be affected by the lifting~~  
14 ~~of expenditure limits under Section 1.134.~~

15           ~~(E) If the Per Candidate Available Disbursement Limit has been determined to be an amount~~  
16 ~~greater than \$850,000.00, a candidate who has already received at least \$850,000.00 in disbursements~~  
17 ~~from the City shall continue to be eligible to receive public funds from the City at the rate of one dollar~~  
18 ~~for each dollar of a matching contribution raised up to the Per Candidate Disbursement Limit,~~  
19 ~~provided that no funds shall be disbursed if disbursement of the funds would result in the candidate~~  
20 ~~exceeding his or her Trust Account Limit.~~

21           ~~(d) PER CANDIDATE AVAILABLE DISBURSEMENT LIMIT. On the 59th day before the~~  
22 ~~election, the Executive Director shall divide the total amount of non-administrative funds in the~~  
23 ~~Mayoral Election Campaign Fund by the number of qualified candidates. This number shall be~~  
24 ~~deemed the Per Candidate Available Disbursement Limit. For the purposes of this section, the total~~  
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1 ~~amount of non administrative funds in the Mayoral Election Campaign Fund shall be the total amount~~  
2 ~~of funds that existed in the Fund nine months before the date of election plus any funds deposited into~~  
3 ~~the Fund between that date and the 59th day before the election minus any funds necessary to cover the~~  
4 ~~administrative costs associated with implementing the mayoral public financing program.~~

5 ~~If there are candidates who have submitted a Declaration of Qualification but whose eligibility~~  
6 ~~has not been determined as of the 59th day before the election, the Executive Director shall assume that~~  
7 ~~they are qualified for the purposes of determining the Per Candidate Available Disbursement Limit.~~  
8 ~~The Per Candidate Available Disbursement Limit shall be revised upward according to the formula~~  
9 ~~above if and when it is determined that the candidate or candidates in question did not qualify to~~  
10 ~~receive public financing.~~

11 ~~Immediately upon calculating the Per Candidate Available Disbursement Limit, the Executive~~  
12 ~~Director shall inform the Controller of the initial determination of the Per Candidate Available~~  
13 ~~Disbursement Limit. Thereafter, the Executive Director shall immediately inform the Controller of any~~  
14 ~~subsequent changes in the Per Candidate Available Disbursement Limit due to a determination that a~~  
15 ~~candidate has not qualified to receive public financing.~~

16 ~~(ef) SUBMISSION OF CLAIMS FOR PUBLIC FUNDS. The Ethics Commission shall~~  
17 ~~determine the information needed to submit a claim for payment of public funds. The Executive~~  
18 ~~Director shall certify each request for payment of public funds within four business days of the request,~~  
19 ~~except that within 14 calendar days before the election, when the certification of a request for public~~  
20 ~~funds shall be made within two business days of the request. Any submission of a claim for public~~  
21 ~~funds must include a minimum of \$5,000.00 of matching contributions; provided that in the 14 calendar~~  
22 ~~days preceding an election, a claim must include a minimum of \$1,000.00 of matching contributions.~~  
23 ~~All claims for public funds must be submitted no later than 5:00 p.m. on the 30th day following the date~~  
24 ~~of the election.~~

1            ~~(f) DEPOSIT IN CAMPAIGN CONTRIBUTION TRUST ACCOUNT. Candidates must deposit~~  
2 ~~all payments received from the Mayoral Election Campaign Fund in the candidate's Campaign~~  
3 ~~Contribution Trust Account.~~

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5 APPROVED AS TO FORM:  
6 DENNIS J. HERRERA, City Attorney

7 By: \_\_\_\_\_  
8        Andrew Shen  
9        Deputy City Attorney

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