

1 [Prohibition on accepting campaign contributions from contractors doing business with the  
2 City.]

3 **Ordinance amending Chapter 1 of Article I of the Campaign and Governmental Conduct**  
4 **Code by amending sections 1.104 and 1.126 to expand the definition of controlled**  
5 **committees to encompass elected officials who raise \$10,000 or more in contributions**  
6 **for the committee and to prohibit elected officials and their controlled committees from**  
7 **soliciting or accepting contributions from certain City contractors.**

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

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

12 Section 1. The San Francisco Campaign and Governmental Conduct Code is hereby  
13 amended by amending Sections 1.104 and 1.126, to read as follows:

14 **SEC. 1.104. DEFINITIONS.**

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

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

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

21 (c) "City elective office" shall mean the offices of Mayor, Member of the Board of  
22 Supervisors, City Attorney, District Attorney, Treasurer, Sheriff, Assessor, Public Defender,  
23 Member of the Board of Education of the San Francisco Unified School District and Member  
24 of the Governing Board of the San Francisco Community College District. The Board of  
25 Supervisors shall be deemed to consist of eleven separate City elective offices, the San

1 Francisco Community College District shall be deemed to consist of seven separate City  
2 elective offices, and the Board of Education of the San Francisco Unified School District shall  
3 be deemed to consist of seven separate City elective offices.

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

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

9 (f) "Controlled committee" shall be defined as a committee that is controlled directly or  
10 indirectly by a candidate, local elected official, or ballot measure proponent or that acts jointly with a  
11 candidate, local elected official, or ballot measure proponent in connection with the making of  
12 expenditures. A candidate, local elected official, or ballot measure proponent controls a committee if  
13 he or she, his or her agent, or any other committee he or she controls: (i) has a significant influence on  
14 the actions or decisions of the committee; (ii) is a legislative sponsor of the local ballot measure or  
15 placed the measure on the ballot; or (iii) solicits or accepts \$10,000 or more in contributions for the  
16 committee.

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

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

3 (~~hi~~) "Ethics Commission" shall mean the San Francisco Ethics Commission.

4 (~~ij~~) "Executive Director" shall mean the Executive Director of the Ethics Commission,  
5 or the Executive Director's designee.

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

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

16 (~~lm~~) "Measure" shall mean any City, San Francisco Unified School District or San  
17 Francisco Community College District referendum, recall or ballot proposition, whether or not  
18 it qualifies for the ballot.

19 (~~mn~~) "Person" shall mean any individual, partnership, corporation, association, firm,  
20 committee, club or other organization or group of persons, however organized.

21 (~~no~~) "Qualified campaign expenditure" for candidates includes all of the following:

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

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

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

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

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

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

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

1           (~~pr~~) "Recorded telephone message" shall mean a recorded audio message that  
2 expressly supports or opposes a candidate for City elective office that is distributed by  
3 telephone.

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

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

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

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

3 (~~the~~) "Voter" means an individual registered to vote in San Francisco.

4 (~~the~~) "Written instrument" means a check, credit card receipt, or record of electronic  
5 transfer of funds.

6 **SEC. 1.126. CONTRIBUTION LIMITS – CONTRACTORS DOING BUSINESS WITH**  
7 **THE CITY.**

8 (a) Definitions. For purposes of this Section, the following words and phrases shall  
9 mean:

10 (1) "Person who contracts with" includes any party or prospective party to a contract,  
11 as well any member of that party's board of directors, its chairperson, chief executive officer,  
12 chief financial officer, chief operating officer; any person with an ownership interest of more  
13 than 20 percent in the party; any subcontractor listed in a bid or contract; and any  
14 committee, as defined by this Chapter, that is sponsored or controlled by the party, provided  
15 that the provisions of Section 1.114 of this Chapter governing aggregation of affiliated entity  
16 contributions shall apply only to the party or prospective party to the contract.

17 (2) "Contract" means any agreement or contract, including any amendment or  
18 modification to an agreement or contract, with the City and County of San Francisco, a state  
19 agency on whose board an appointee of a City elective officer serves, the San Francisco  
20 Unified School District, or the San Francisco Community College District for:

- 21 (A) the rendition of personal services,
- 22 (B) the furnishing of any material, supplies or equipment,
- 23 (C) the sale or lease of any land or building, or
- 24 (D) a grant, loan or loan guarantee.

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1           (3) “Board on which an individual serves” means the board to which the officer was elected  
2 and any other board on which the elected officer serves.

3           (b) Prohibition on contribution. No person who contracts with the City and County of  
4 San Francisco, a state agency on whose board an appointee of a City elective officer serves,  
5 the San Francisco Unified School District or the San Francisco Community College District,

6           (1) Shall make any contribution to:

7           (A) An individual holding a City elective office if the contract must be approved by such  
8 individual, the board on which that individual serves or a state agency on whose board ~~on which~~  
9 an appointee of that individual serves;

10          (B) A candidate for the office held by such individual; or

11          (C) A committee controlled by such individual or candidate

12          (2) Whenever the agreement or contract has a total anticipated or actual value of  
13 \$50,000.00 or more, or a combination or series of such agreements or contracts approved by  
14 that same individual or board have a value of \$50,000.00 or more in a fiscal year of the City  
15 and County

16          (3) At any time from the commencement of negotiations for such contract until-

17          (A) The termination of negotiations for such contract; or

18          (B) Six months have elapsed from the date the contract is approved.

19          (c) Prohibition on receipt of contribution. No individual holding City elective office or  
20 committee controlled by such an individual shall solicit or accept any contribution prohibited by  
21 subsection (b) at any time from the formal submission of the contract to the individual or the board on  
22 which the individual serves until the termination of negotiations for the contract or six months have  
23 elapsed from the date the contract is approved. For the purpose of this subsection, a contract is  
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1 formally submitted to the Board of Supervisors at the time of the introduction of a resolution to approve  
2 the contract.

3 (d) Forfeiture of contribution. In addition to any other penalty, each committee that receives a  
4 contribution prohibited by subsection (c) shall pay promptly the amount received or deposited to the  
5 City and County of San Francisco and deliver the payment to the Ethics Commission for deposit in the  
6 General Fund of the City and County; provided that the Commission may provide for the waiver or  
7 reduction of the forfeiture.

8 (ee) Notification.

9 (1) Prospective Parties to Contracts. Any prospective party to a contract with the City  
10 and County of San Francisco, a state agency on whose board an appointee of a City elective  
11 officer serves, the San Francisco Unified School District or the San Francisco Community  
12 College District shall inform each person described in subsection (a)(1) of the prohibition in  
13 subsection (b) by the commencement of negotiations for such contract.

14 (2) Individuals Who Hold City Elective Office. Every individual who holds a City  
15 elective office shall, within five business days of the approval of a contract by the officer, a  
16 board on which the officer sits or a board of a state agency on which an appointee of the  
17 officer sits, notify the Ethics Commission, on a form adopted by the Commission, of each  
18 contract approved by the individual, the board on which the individual serves or the board of a  
19 state agency on which an appointee of the officer sits. An individual who holds a City elective  
20 office need not file the form required by this subsection if the clerk or secretary of a board on  
21 which the individual serves or a board of a state agency on which an appointee of the officer  
22 serves has filed the form on behalf of the board.

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1 APPROVED AS TO FORM:  
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