#### **BOARD of SUPERVISORS**



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## MEMORANDUM

TO: Patrick Ford, Executive Director, Ethics Commission

FROM: Victor Young, Assistant Clerk

DATE: August 7, 2025

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Rules Committee received the following proposed Ordinance:

File No. 250868

Ordinance amending the Campaign and Governmental Conduct Code to modify the public financing program for candidates for the Mayor and the Board of Supervisors by replacing the current process of continuous adjustments of individual expenditure ceilings to a "one-and-done" approach in which the ceiling is removed for all candidates within the race once certain spending reaches a specified amount, and adjusting reporting requirements; raise the campaign contribution limit from \$500 to \$1,000 and authorize the Ethics Commission to adjust the contribution limit going forward for changes in the Consumer Price Index; and allow the Ethics Commission to designate the website to be used in campaign advertisement disclaimers.

If you have comments or reports to be included with the file, please forward them to Victor Young at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: <a href="mailto:victor.young@sfgov.org">victor.young@sfgov.org</a>.

(attachment)

c. Michael Canning, Ethics Commission



## City and County of San Francisco Master Report

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

**File Number:** 250868 **File Type:** Ordinance **Status:** 30 Day Rule

Enacted: Effective:

Version: 1 In Control: Rules Committee

File Name: Campaign and Governmental Conduct Code -

Campaign Public Financing Expenditure Ceilings and Reporting Requirements, and Campaign

Contribution Limits

Requester: Ethics Commission

Cost: Final Action:

Comment:

Title: Ordinance amending the Campaign and Governmental Conduct Code to modify the public financing program for candidates for the Mayor and the Board of Supervisors by replacing the current process of continuous adjustments of individual expenditure ceilings to a "one-and-done" approach in which the ceiling is removed for all candidates within the race once certain spending reaches a specified amount, and adjusting reporting requirements; raise the campaign contribution limit from \$500 to \$1,000 and authorize the Ethics Commission to adjust the contribution limit going forward for changes in the Consumer Price Index; and allow the Ethics Commission to designate the website to be used in

Date Introduced: 09/02/2025

campaign advertisement disclaimers.

Sponsor: Mandelman

#### History of Legislative File 250868

Ver	Acting Body	Date	Action	Sent To	Due Date	Result
1	Clerk of the Board	08/22/2025	RECEIVED FROM DEPARTMENT			
1	President	09/02/2025	ASSIGNED UNDER 30 DAY RULE	Rules Committee	10/02/2025	

1	Ceilings and Reporting Requirements, and Campaign Contribution Limits]
2	
3	Ordinance amending the Campaign and Governmental Conduct Code to modify the
4	public financing program for candidates for the Mayor and the Board of Supervisors by
5	replacing the current process of continuous adjustments of individual expenditure
6	ceilings to a "one-and-done" approach in which the ceiling is removed for all
7	candidates within the race once certain spending reaches a specified amount, and
8	adjusting reporting requirements; raise the campaign contribution limit from \$500 to
9	\$1,000 and authorize the Ethics Commission to adjust the contribution limit going
10	forward for changes in the Consumer Price Index; and allow the Ethics Commission to
11	designate the website to be used in campaign advertisement disclaimers.
12	NOTE: Unchanged Code text and uncodified text are in plain Arial font.
13	Additions to Codes are in <u>single-underline italics Times New Roman font</u> .  Deletions to Codes are in <u>strikethrough italics Times New Roman font</u> .
14	Board amendment additions are in double-underlined Arial font.  Board amendment deletions are in strikethrough Arial font.
15	<b>Asterisks (* * * *)</b> indicate the omission of unchanged Code subsections or parts of tables.
16	
17	Be it ordained by the People of the City and County of San Francisco:
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19	Section 1. Article I, Chapter 1 of the Campaign and Governmental Conduct Code is
20	hereby amended by revising Sections 1.104, 1.114, 1.116, 1.140, 1.142, 1.161, 1.162, and
21	1.170, adding Sections 1.129, 1.131, and 1.133, deleting Sections 1.128, 1.130, 1.134, 1.143,
22	and 1.152, to read as follows:
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24	SEC. 1.104. DEFINITIONS.
25	Whenever in this Chapter 1 the following words or phrases are used, they shall mean:

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"Individual Expenditure Ceiling" shall mean the expenditure ceiling established for each individual candidate for Mayor or the Board of Supervisors whom the Ethics Commission has certified as eligible to receive public funds under this Chapter.

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

"Total Supportive Funds" shall mean the sum of all contributions received by a candidate committee supporting a candidate for Mayor or the Board of Supervisors, other than any funds that exceed the candidate's Individual Expenditure Ceiling, plus the expenditures made or expenses incurred by any person or persons for the purpose of making independent expenditures, electioneering communications or member communications in support of that same candidate.

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#### SEC. 1.114. CONTRIBUTIONS - LIMITS AND PROHIBITIONS.

(a) LIMITS ON CONTRIBUTIONS TO CANDIDATES. No person other than a candidate shall make, and no campaign treasurer for a candidate committee shall solicit or accept, any contribution which will cause the total amount contributed by such person to such candidate committee in an election to exceed \$500\$1,000. The Ethics Commission is authorized to adjust this figure to reflect changes in the California Consumer Price Index, provided that such adjustments shall be rounded off to the nearest \$100.

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(d) PROHIBITION ON CONTRIBUTIONS FOR OFFICIAL ACTION. No candidate

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1	may, directly or by means of an agent, give, offer, promise to give, withhold, or offer or
2	promise to withhold <i>his or her their</i> vote or influence, or promise to take or refrain from taking
3	official action with respect to any proposed or pending matter in consideration of, or upon
4	condition that, any other person make or refrain from making a contribution.
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7	SEC. 1.116. LIMITS ON LOANS TO CANDIDATES.

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#### SEC. 1.116. LIMITS ON LOANS TO CANDIDATES.

- (a) A candidate's loan of personal funds to the candidate's campaign may not exceed at any time more than:
- (1) \$15,000.0027,000 for a candidate for the Board of Supervisors, Board of Education of the San Francisco Unified School District or the Governing Board of the San Francisco Community College District,
  - (2) \$\frac{120,000.00}{213,000}\text{ for a candidate for Mayor, or
- (3) \$35,000.0062,000 for a candidate for Assessor or Public Defender, City Attorney, Treasurer, District Attorney or Sheriff.
- (b) A candidate may not charge interest on any loan the candidate has made to the candidate's campaign.
- (c) In addition to any other penalty, loans made by a candidate to the candidate's campaign in excess of the amounts in Subsection (a) shall be deemed a contribution to the campaign and may not be repaid to the candidate.
- (d) Whenever the Ethics Commission adjusts the *voluntary* expenditure ceilings to reflect changes in the California Consumer Price Index, as authorized under Section 1.130 <u>1.131</u>, the Commission is authorized to adjust the loan amounts in this Section <u>1.116</u> to reflect changes in the Consumer Price Index, provided that such adjustments shall be rounded off to the nearest \$1,000.

#### 1 SEC. 1.128. ACCEPTANCE OR REJECTION OF VOLUNTARY EXPENDITURE 2 CEILINGS. 3 (a) Candidates for Assessor, City Attorney, District Attorney, Public Defender, Sheriff, Treasurer, the Board of Education of the San Francisco Unified School District or the Governing 4 Board of the San Francisco Community College District may accept the applicable voluntary 5 6 expenditure ceiling. Candidates for the Board of Supervisors or Mayor may not accept a voluntary 7 expenditure ceiling. 8 (b) To accept the applicable voluntary expenditure ceiling, a candidate must file a statement 9 with the Ethics Commission accepting the applicable voluntary expenditure ceiling. The candidate shall file this statement no later than the deadline for filing nomination papers with the Department of 10 11 Elections. A candidate may not withdraw the statement accepting the voluntary expenditure ceiling 12 after filing the statement. A candidate may not file the statement accepting the applicable voluntary 13 expenditure ceiling if the Ethics Commission has lifted the voluntary expenditure ceiling under Section 14 1.134 of this Chapter. 15 (c) The Ethics Commission shall maintain, on its website, a list of the candidates who have 16 accepted the voluntary expenditure ceiling. If the Ethics Commission has lifted a voluntary expenditure 17 ceiling for a particular race under Section 1.134 of this Chapter, the Ethics Commission shall instead 18 maintain a list of the candidates who have accepted, but are no longer subject to the voluntary 19 expenditure ceiling in that race. 20 (d) A candidate who has accepted the applicable voluntary expenditure ceiling and makes 21 qualified campaign expenditures in excess of the voluntary expenditure ceiling, at a time when the 22 Ethics Commission has not lifted the applicable voluntary expenditure ceiling, is subject to the 23 penalties in Section 1.170 for violation of this Chapter. 24

#### SEC. 1.129. EXPENDITURE CEILINGS. 2 (a) Required Expenditure Ceilings for Public Financing. 3 (1) To be eligible to receive public financing of campaign expenses under this Chapter, 4 candidates for the Board of Supervisors or Mayor must agree that their candidate committee will not 5 make qualified campaign expenditures that total more than the applicable expenditure ceiling specified 6 in Section 1.131, unless the expenditure ceiling has been lifted as specified in Section 1.133. 7 (2) A candidate shall indicate their tentative acceptance of the expenditure ceiling by 8 filing their statement of participation with the Ethics Commission as required by Section 1.140. 9 (3) The expenditure ceiling shall apply to a candidate if the Executive Director has 10 certified the candidate is eligible to receive public financing under Section 1.142. 11 (4) The Ethics Commission shall maintain, on its website, a list of the candidates who 12 are subject to the expenditure ceiling. If the Ethics Commission has lifted the expenditure ceiling for a 13 particular race under Section 1.133, the Ethics Commission shall instead maintain a list of the 14 candidates who have accepted public financing, but are no longer subject to the expenditure ceiling in 15 that race. 16 (5) A candidate who is subject to the expenditure ceiling and makes qualified campaign expenditures in excess of the applicable expenditure ceiling, at a time when the Ethics Commission has 17 18 not lifted the expenditure ceiling, is subject to the penalties in Section 1.170 for violation of this 19 Chapter. 20 (b) Voluntary Expenditure Ceilings. 21 (1) Candidates for Assessor-Recorder, City Attorney, District Attorney, Public 22 Defender, Sheriff, Treasurer, the Board of Education of the San Francisco Unified School District, or 23 the Governing Board of the San Francisco Community College District may accept the applicable 24 voluntary expenditure ceiling specified in Section 1.131, unless the expenditure ceiling has been lifted 25 as specified in Section 1.133. Candidates for the Board of Supervisors or Mayor may not accept a

1	<u>voluntary</u>	expenditure	ceiling.
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(2) To accept the applicable voluntary expenditure ceiling, a candidate must file a
statement with the Ethics Commission accepting the applicable voluntary expenditure ceiling. The
candidate shall file this statement no later than the deadline for filing nomination papers with the
Department of Elections. A candidate may not withdraw the statement accepting the voluntary
expenditure ceiling after filing the statement. A candidate may not file the statement accepting the
applicable voluntary expenditure ceiling if the Ethics Commission has lifted the voluntary expenditure
ceiling under Section 1.333.

(3) The Ethics Commission shall maintain, on its website, a list of the candidates who have accepted the voluntary expenditure ceiling. If the Ethics Commission has lifted a voluntary expenditure ceiling for a particular race under Section 1.133, the Ethics Commission shall instead maintain a list of the candidates who have accepted, but are no longer subject to, the voluntary expenditure ceiling in that race.

(4) A candidate who has accepted the applicable voluntary expenditure ceiling and makes qualified campaign expenditures in excess of the voluntary expenditure ceiling, at a time when the Ethics Commission has not lifted the applicable voluntary expenditure ceiling, is subject to the penalties in Section 1.170 for violation of this Chapter.

#### SEC. 1.130. AMOUNT OF VOLUNTARY EXPENDITURE CEILINGS.

(a) Any candidate for Assessor, Public Defender, City Attorney, District Attorney, Treasurer, or Sheriff who agrees to accept voluntary expenditure ceilings shall not make total qualified campaign expenditures exceeding \$243,000, unless the Ethics Commission has lifted the voluntary expenditure ceiling pursuant to Section 1.134 of this Chapter.

(b) Any candidate for the Board of Education of the San Francisco Unified School District or the Governing Board of the San Francisco Community College District who agrees to accept voluntary

1	expenditure ceilings shall not make total qualified campaign expenditures exceeding \$104,000, unless
2	the Ethics Commission has lifted the voluntary expenditure ceiling pursuant to Section 1.134 of this
3	Chapter.
4	(c) The Ethics Commission is authorized to adjust annually by regulation the voluntary
5	expenditure ceilings imposed by this Section to reflect the change in the California Consumer Price
6	Index for that year, provided that such adjustments shall be rounded off to the nearest \$1,000.
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8	SEC. 1.131. AMOUNT OF EXPENDITURE CEILINGS.
9	(a) Any candidate for the Board of Supervisors subject to an expenditure ceiling under Section
10	1.129(a) shall not make total qualified campaign expenditures exceeding \$412,000, unless the Ethics
11	Commission has lifted the expenditure ceiling pursuant to Section 1.133.
12	(b) Any candidate for Mayor subject to an expenditure ceiling under Section 1.129(a) shall not
13	make total qualified campaign expenditures exceeding \$2,005,000, unless the Ethics Commission has
14	lifted the expenditure ceiling pursuant to Section 1.133.
15	(c) Any candidate for Assessor-Recorder, Public Defender, City Attorney, District Attorney,
16	Treasurer, or Sheriff who agrees to accept a voluntary expenditure ceiling under Section 1.129(b) shall
17	not make total qualified campaign expenditures exceeding \$374,000, unless the Ethics Commission has
18	lifted the voluntary expenditure ceiling pursuant to Section 1.133.
19	(d) Any candidate for the Board of Education of the San Francisco Unified School District or
20	the Governing Board of the San Francisco Community College District who agrees to accept a
21	voluntary expenditure ceiling under Section 1.129(b) shall not make total qualified campaign
22	expenditures exceeding \$160,000, unless the Ethics Commission has lifted the voluntary expenditure
23	ceiling pursuant to Section 1.133.
24	(e) The Ethics Commission is authorized to adjust the expenditure ceilings imposed by this
25	Section 1.131 to reflect changes in the California Consumer Price Index, provided that such

1	adjustments shall be rounded off to the nearest \$1,000.
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3	SEC. 1.133. LIFTING OF EXPENDITURE CEILINGS AND SUPPLEMENTAL
4	REPORTING REQUIREMENTS.
5	(a) Lifting of Expenditure Ceilings.
6	(1) An expenditure ceiling shall no longer be binding on a candidate:
7	(A) if a candidate seeking election to the same office who is not subject to an
8	expenditure ceiling under Section 1.129(a), or who has not accepted a voluntary expenditure ceiling
9	under Section 1.129(b), receives contributions or makes qualified campaign expenditures in excess of
10	75% of the applicable expenditure ceiling;
11	(B) if a candidate seeking election to the same office, who is subject to the
12	expenditure ceiling or makes qualified campaign expenditures in excess of 100% of the applicable
13	expenditure ceiling; or
14	(C) if a person or persons makes expenditures or payments, or incurs expenses
15	for the purpose of making independent expenditures, electioneering communications, or member
16	communications, and those expenditures, payments, and expenses clearly identify a candidate seeking
17	election to the same City elective office and total more than 75% of the applicable expenditure ceiling.
18	(b) Additional Reporting Requirements.
19	(1) In addition to the campaign disclosure requirements imposed by the California
20	Political Reform Act and other provisions of this Chapter:
21	(A) Each candidate committee supporting a candidate in a race with an active
22	expenditure ceiling that receives contributions or makes qualified campaign expenditures that total
23	more than 75% of the applicable expenditure ceiling shall, within 24 hours of exceeding 75% of the
24	applicable expenditure ceiling, file a statement with the Ethics Commission, on forms to be provided by
25	the Ethics Commission, stating that fact and any additional information required by the Ethics

1	Commission.
2	(B) Each candidate committee supporting a candidate for the Board of
3	Supervisors shall file a statement with the Ethics Commission indicating when the committee has
4	received contributions to be deposited into its Campaign Contribution Trust Account or made qualified
5	campaign expenditures that equal or exceed the amount stated in Section 1.140(b)(3) within 24 hours
6	of reaching or exceeding that amount.
7	(C) Each candidate committee supporting a candidate for Mayor shall file a
8	statement with the Ethics Commission indicating when the candidate committee has received
9	contributions to be deposited into its Campaign Contribution Trust Account or made qualified
10	campaign expenditures, that equal or exceed the amount stated in Section 1.140(c)(3) within 24 hours
11	of reaching or exceeding that amount.
12	(2) The Executive Director shall post the information disclosed on statements required
13	by this subsection on the website of the Ethics Commission within two business days of the statement's
14	filing.
15	(c) Process for Lifting Expenditure Ceilings.
16	(1) The Executive Director shall promptly review statements filed pursuant to state and
17	local law, including the statement required by subsection (b)(1)(A) of this Section 1.133, and any other
18	materials the Executive Director deems relevant, to determine if an expenditure ceiling must be lifted
19	pursuant to subsection $(a)(1)(A)$ .
20	(2) The Executive Director shall promptly review statements filed pursuant to state and
21	local law, and any other materials the Executive Director deems relevant, to determine if an
22	expenditure ceiling must be lifted pursuant to subsection (a)(1)(B) of this Section 1.133.
23	(3) The Executive Director shall promptly review statements filed pursuant to state and
24	local law, including California Government Code section 84204 and Sections 1.161, 1.162, and 1.163,
25	and any other materials the Executive Director deems relevant, to determine whether a communication

1	supports or opposes one or more candidates in a race and if an expenditure ceiling must be lifted
2	pursuant to subsection (a)(1)(C) of this Section 1.133.
3	The Executive Director shall use the following factors to determine whether the communication
4	supports or opposes one or more candidates include the following:
5	(A) whether the communication clearly identifies one or more candidates;
6	(B) the timing of the communication;
7	(C) the voters targeted by the communication;
8	(D) whether the communication identifies any candidate's position on a public
9	policy issue and urges the reader or viewer to take action, including calling the candidate to support of
10	oppose the candidate's position;
11	(E) whether the position of one or more candidates on a public policy issue has
12	been raised as distinguishing these candidates from others in the campaign, either in the
13	communication itself or in other public communications;
14	(F) whether the communication is part of an ongoing series of substantially
15	similar advocacy communications by the organization on the same issue; and
16	(G) any other factors the Executive Director deems relevant.
17	(4) Within one business day of determining that an expenditure ceiling must be lifted
18	pursuant to this Section 1.133, the Executive Director shall inform every candidate for that office that
19	the Ethics Commission has lifted the applicable expenditure ceiling. The Executive Director shall also
20	post a notice on the Ethics Commission's website. If an objection made pursuant to subsection (c)(5) of
21	this Section 1.133 delays or prevents a determination from becoming final, the Executive Director shal
22	send subsequent notices regarding the objection and final determination.
23	(5) Objections.
24	(A) Within one business day of the date that the Executive Director makes a
25	determination under this subsection (c), any candidate in the race may object to the Executive

1	Director's determination. The Executive Director shall respond to any objection within one business
2	day of receiving the objection.
3	(B) Within one business day of the Executive Director's response, the candidate
4	who objected to the determination may submit to the Executive Director a request that the Ethics
5	Commission review the Executive Director's determination. Within one business day of receiving the
6	request, the Executive Director shall notify the Chair of the Commission of the request.
7	If, within one business day of the Executive Director's notice, the Chair informs
8	the Executive Director that they are requesting the Commission review the determination, the Executive
9	Director shall schedule a meeting of the Commission on a date that occurs within two weeks of the
10	Chair's request. If the Commission overrules the Executive Director's determination, the Commission
11	shall make a final determination based on the factors set forth above.
12	(C) The Executive Director's determination shall become final if:
13	(i) no candidate objects to the Executive Director's determination;
14	(ii) an objection is made, and the candidate does not request a review of
15	the Executive Director's determination by the Commission;
16	(iii) a request is made, and the Chair does not request the Commission
17	review the determination; or
18	(iv) the Commission does not overrule the Executive Director's
19	determination.
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21	SEC. 1.134. LIFTING OF VOLUNTARY EXPENDITURE CEILINGS; SUPPLEMENTAL
22	REPORTING IN ELECTIONS FOR ASSESSOR, PUBLIC DEFENDER, CITY ATTORNEY,
23	DISTRICT ATTORNEY, TREASURER, SHERIFF, THE BOARD OF EDUCATION OF THE SAN
24	FRANCISCO UNIFIED SCHOOL DISTRICT, OR THE GOVERNING BOARD OF THE SAN
25	FRANCISCO COMMUNITY COLLEGE DISTRICT.

1	This Section shall apply only if at least one candidate for the City elective office has accepted
2	the applicable voluntary expenditure ceiling, and the Ethics Commission has not lifted that voluntary
3	expenditure ceiling. This Section applies only to candidates for Assessor, Public Defender, City
4	Attorney, District Attorney, Treasurer, Sheriff, the Board of Education of the San Francisco Unified
5	School District, or the Governing Board of the San Francisco Community College District.
6	(a) The voluntary expenditure ceiling shall no longer be binding on a candidate:
7	(1) If a candidate seeking election to the same City elective office, who has declined to
8	accept the voluntary expenditure ceiling, receives contributions or makes qualified campaign
9	expenditures in excess of 100 percent of the applicable voluntary expenditure ceiling,
10	(2) If a person or persons make expenditures or payments, or incur expenses for the
11	purpose of making independent expenditures, electioneering communications or member
12	communications that total more than 100 percent of the applicable voluntary expenditure ceiling, and
13	those expenditures or communications clearly identify a candidate seeking election to the same City
14	elective office, or
15	(3) If a candidate seeking election to the same City elective office, who has accepted the
16	voluntary expenditure ceiling, makes qualified campaign expenditures in excess of 100 percent of the
17	voluntary expenditure ceiling.
18	(b) Any candidate committee that receives contributions, makes qualified campaign
19	expenditures, incurs expenses or has funds in its Campaign Contribution Trust Account that total more
20	than 100 percent of the applicable voluntary expenditure ceiling shall, within 24 hours of exceeding
21	100 percent of the applicable voluntary expenditure ceiling, file a statement with the Ethics
22	Commission, on forms to be provided by the Ethics Commission, stating that fact and any additional
23	information required by the Ethics Commission.
24	(c) The Executive Director shall promptly review statements filed pursuant to state and local
25	law, including California Government Code section 84204 and Sections 1.161, 1.162, and 1.163 of this

1 Chapter, to determine whether a communication supports or opposes one or more candidates. 2 (d) Within one business day after determining that the threshold listed in subsection (a) has 3 been met with respect to an office appearing on the ballot, the Executive Director shall inform every candidate for that office that the Ethics Commission has lifted the applicable voluntary expenditure 4 5 ceiling. The Executive Director shall also post a notice on the Ethics Commission's website and send 6 written notice by e-mail to any other person who has requested such notice. 7 SEC. 1.140. ELIGIBILITY TO RECEIVE PUBLIC FINANCING. 8 9 (a) REQUIREMENTS FOR ALL CANDIDATES. To be eligible to receive public 10 financing of campaign expenses under this Chapter, a candidate must: 11 (1) Have filed a statement indicating that *he or she intends* they intend to 12 participate in the public financing program under Section 1.142 of this Chapter. 13 (2) Agree to the following conditions: 14 (A) The candidate bears the burden of providing that each contribution 15 the candidate relies upon to establish eligibility is a qualifying contribution; 16 (B) The candidate bears the burden of proving that expenditures made with public funds provided under this Chapter comply with Section 1.148 of this Chapter; 17 18 (C) The candidate will not make any payments to a contractor or vendor 19 in return for the contractor or vendor making a campaign contribution to the candidate or 20 make more than a total of 50 payments, other than the return of a contribution, to contractors 21 or vendor that have made contributions to the candidate; 22 (D) Notwithstanding Sections 1.114 and 1.116, the candidate shall not

loan or donate, in total, more than \$5,000 of his or her their own money to the campaign;

with the exception of a candidate's loan to his or her their own campaign as permitted by this

(E) The candidate shall not accept any loans to his or her their campaign

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Section; and

- (F) The candidate shall agree to participate in at least three debates with the candidate's opponents.
  - (3) Have paid any outstanding late fines or penalties, owed to the City by the candidate or any of the candidate's previous campaign committees, which were imposed for violations of this Code or the campaign finance provisions of the California Political Reform Act (Government Code Sections 84100-85704), provided that the Ethics Commission had notified the candidate of such fines or penalties by the time of certification.
  - (4) Have filed any outstanding forms, owed to the City by the candidate or any of the candidate's previous campaign committees, which were required to be filed pursuant to this Code or the campaign finance provisions of the Political Reform Act (Government Code Sections 84100-85704), provided that the Ethics Commission had notified the candidate of such outstanding forms by the time of certification.
  - (5) Have no finding by a court or by the Ethics Commission after a hearing on the merits, within the prior five years, that the candidate knowingly, willfully, or intentionally violated any Section of this Code or the campaign finance provisions of this California Political Reform Act (Government Code Sections 84100-85704). For purposes of this Section, a plea of *nolo contendere* constitutes a finding by a court of a willful violation.
  - (b) ADDITIONAL REQUIREMENTS FOR CANDIDATES FOR THE BOARD OF SUPERVISORS. To be eligible to receive public financing of campaign expenses under this Chapter, a candidate for the Board of Supervisors must:
  - (1) Be seeking election to the Board of Supervisors and be eligible to hold the office sought;
  - (2) Have a candidate committee that has received at least \$10,000 in qualifying contributions from at least 100 contributors by the 70th day before the election; or, if the

- candidate is an incumbent member of the Board of Supervisors, have a candidate committee that has received at least \$15,000 in qualifying contributions from at least 150 contributors by the 70th day before the election;
  - (3) Be opposed by another candidate who has either established eligibility to receive public financing, or whose candidate committee has received contributions or made expenditures which in the aggregate equal or exceed \$10,000; and
  - (4) Agree that *his or her their* candidate committee will not make qualified campaign expenditures that total more than the *candidate's Individual Expenditure Ceiling of*\$350,000, or as adjusted under Section 1.143 of this Chapter applicable expenditure ceiling specified in Section 1.131, unless the expenditure ceiling has been lifted as specified in Section 1.133.
  - (c) ADDITIONAL REQUIREMENTS FOR CANDIDATES FOR MAYOR. To be eligible to receive public financing of campaign expenses under this Chapter, a candidate for Mayor must:
  - (1) Be seeking election to the office of Mayor and be eligible to hold the office sought;
  - (2) Have a candidate committee that has received at least \$50,000 in qualifying contributions from at least 500 contributors by the 70th day before the election; or, if the candidate is the incumbent Mayor, have a candidate committee that has received at least \$75,000 in qualifying contributions from at least 750 contributors by the 70th day before the election;
  - (3) Be opposed by another candidate who has either established eligibility to receive public financing, or whose candidate committee has received contributions or made expenditures that in the aggregate equal or exceed \$50,000; and
  - (4) Agree that *his or her their* candidate committee will not make qualified campaign expenditures that total more than the *candidate's Individual Expenditure Ceiling of*

1	\$1,700,000, or as adjusted under Section 1.143 of this Chapter applicable expenditure ceiling specified
2	in Section 1.131, unless the expenditure ceiling has been lifted as specified in Section 1.133.
3	(d) ADJUSTMENT OF EXPENDITURE LIMITS AND THRESHOLDS. The Ethics
4	Commission is authorized to adjust:
5	(1) The figures in Subsections (b)(4) and (c)(4) to reflect changes in the California
6	Consumer Price Index, provided that such adjustments shall be rounded off to the nearest \$1,000 for
7	candidates for the Board of Supervisors and the nearest \$5,000 for candidates for Mayor;
8	$(2\underline{1})$ The figure in Subsection (a)(2)(D) of this Section $\underline{1.140}$ to reflect changes in
9	the California Consumer Price Index, provided that such adjustments shall be rounded off to
10	the nearest \$1,000;
11	(32) The figures in Subsections (b)(2) and (b)(3) of this Section $1.140$ to reflect
12	changes in the California Consumer Price Index, provided that such adjustments shall be
13	rounded off to the nearest \$500;
14	(43) The figures in Subsections (c)(2) and (c)(3) of this Section $1.140$ to reflect
15	changes in the California Consumer Price Index, provided that such adjustments shall be
16	rounded off to the nearest \$5,000; and
17	(54) The maximum amount of a contribution that constitutes a qualifying
18	contribution pursuant to Section 1.104 to reflect changes in the California Consumer Price
19	Index, provided that such adjustments shall be rounded off to the nearest \$10.
20	
21	SEC. 1.142. PROCESS FOR ESTABLISHING ELIGIBILITY; CERTIFICATION BY
22	THE ETHICS COMMISSION.
23	* * * *
24	(d) DETERMINATION OF OPPOSITION. To determine whether a candidate for the
25	Board of Supervisors is opposed as required under Section 1.140(b)(3) of this Chapter or a

candidate for Mayor is opposed as required under Section 1.140(c)(3) of this Chapter 1, the 2 Executive Director shall review the material filed pursuant to Section 1.152 1.133 of this *Chapter*, and may review any other material.

(e) CERTIFICATION. If the Executive Director determines that a candidate for Mayor or the Board of Supervisors has satisfied the requirements of Section 1.140, the Executive Director shall notify the candidate and certify to the Controller that the candidate is eligible to receive public financing under this Chapter 1. The Executive Director shall not certify that a candidate is eligible to receive public financing if the candidate's declaration or supporting material is incomplete or otherwise inadequate to establish eligibility. The Executive Director shall determine whether to certify a candidate no later than 30 days after the date the candidate submits his or her their declaration and supporting material, provided that the Executive Director shall make all determinations regarding whether to certify a candidate no later than the 55th day before the election.

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#### SEC. 1.143. ADJUSTING INDIVIDUAL EXPENDITURE CEILINGS.

This Section 1.143 shall apply only if the Ethics Commission has certified that at least one candidate for Mayor or the Board of Supervisors is eligible to receive public funds under this Chapter <del>1.</del>

(a) The Executive Director shall adjust the Individual Expenditure Ceiling of a candidate for Mayor by \$250,000 when the sum of the Total Opposition Spending against that candidate and the highest level of the Total Supportive Funds of any other candidate for Mayor is greater than \$1,700,000 by any amount. Thereafter, the Executive Director shall further adjust a candidate's Individual Expenditure Ceiling in increments of \$250,000, whenever the sum of the Total Opposition Spending against that candidate and the highest level of the Total Supportive Funds of any other

1	candidate for Mayor is greater than the candidate's current Individual Expenditure Ceiling by any
2	amount.
3	(b) The Executive Director shall adjust the Individual Expenditure Ceiling of a candidate for
4	the Board of Supervisors by \$50,000 when the sum of the Total Opposition Spending against that
5	candidate and the highest level of the Total Supportive Funds of any other candidate for the same office
6	on the Board of Supervisors is greater than \$350,000 by any amount. Thereafter, the Executive
7	Director shall further adjust a candidate's Individual Expenditure Ceiling in increments of \$50,000,
8	whenever the sum of the Total Opposition Spending against that candidate and the highest level of the
9	Total Supportive Funds of any other candidate for the same office is greater than the candidate's
10	current Individual Expenditure Ceiling by any amount.
11	(c) The Executive Director shall promptly review statements filed pursuant to state and local
12	law, including Government Code section 84204 and Sections 1.161, 1.162, and 1.163 of this Chapter 1,
13	to determine whether a communication supports or opposes one or more candidates.
14	Factors the Executive Director shall use to determine whether the communication supports or
15	opposes one or more candidates include the following:
16	(1) whether the communication clearly identifies one or more candidates;
17	(2) the timing of the communication;
18	(3) the voters targeted by the communication;
19	(4) whether the communication identifies any candidate's position on a public policy
20	issue and urges the reader or viewer to take action, including calling the candidate to support or
21	oppose the candidate's position;
22	(5) whether the position of one or more candidates on a public policy issue has been
23	raised as distinguishing these candidates from others in the campaign, either in the communication
24	itself or in other public communications;
25	(6) whether the communication is part of an ongoing series of substantially similar

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(7) any other factors the Executive Director deems relevant.

(d) Within one business day of the date that the Executive Director makes a determination under subsection (c), either the candidate(s) identified in the communication or any candidate seeking the same City elective office as the candidate identified in the communication may object to the Executive Director's determination. The Executive Director shall respond to any objection within one business day of receiving the objection.

(e) Within one business day of the Executive Director's response, either the candidate(s) identified in the communication or any candidate seeking the same City elective office as the candidate identified in the communication may submit to the Executive Director a request that the Ethics Commission review the Executive Director's determination. Within one business day of receiving the request, the Executive Director shall notify each Commissioner of the candidate's request.

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

(f) If no candidate objects to the Executive Director's determination, if no candidate requests review by the Commission of the Executive Director's determination, if a request is made and two or more members of the Commission do not request to review the determination, or within one week of two members of the Commission requesting to review the Executive Director's determination, at least three members of the Commission do not vote to overrule the Executive Director's determination, the Executive Director's determination shall become final.

The Executive Director shall determine whether to adjust the Individual Expenditure Ceilings of

each candidate for Mayor or the Board of Supervisors pursuant to either subsection (a) or (b) within one business day of a final determination.

# SEC. 1.152. SUPPLEMENTAL REPORTING IN ELECTIONS FOR BOARD OF SUPERVISORS AND MAYOR.

#### (a) ELECTIONS FOR THE BOARD OF SUPERVISORS.

(1) In addition to the campaign disclosure requirements imposed by the California Political Reform Act and other provisions of this Chapter, each candidate committee supporting a candidate for the Board of Supervisors shall file a statement with the Ethics Commission indicating when the committee has received contributions to be deposited into its Campaign Contribution Trust Account or made expenditures that equal or exceed \$10,000 within 24 hours of reaching or exceeding that amount.

(2) In addition to the supplemental report in subsection (a)(1) of this Section, each candidate committee supporting a candidate for the Board of Supervisors shall file a statement with the Ethics Commission disclosing when the committee has received contributions to be deposited into its Campaign Contribution Trust Account or made expenditures that in the aggregate-equal or exceed \$100,000. The candidate committee shall file this report within 24 hours of reaching or exceeding the threshold. Thereafter, the candidate committee shall file an additional supplemental report within 24 hours of every time the candidate committee receives additional contributions to be deposited into its Campaign Contribution Trust Account or makes additional expenditures that in the aggregate equal or exceed \$10,000.

(3) The Executive Director shall post the information disclosed on statements required by this subsection on the website of the Ethics Commission within two business days of the statement's filing.

(b) ELECTIONS FOR MAYOR.

(1) In addition to the campaign disclosure requirements imposed by the California
Political Reform Act and other provisions of this Chapter, each candidate committee supporting a
candidate for Mayor shall file a statement with the Ethics Commission indicating when the candidate
committee has received contributions to be deposited into its Campaign Contribution Trust Account or
made expenditures that equal or exceed \$50,000 within 24 hours of reaching or exceeding that amount.
(2) Le addition to the annulum out al moment in Calor action (b)(1) of this Continue and

candidate committee supporting a candidate for Mayor shall file a statement with the Ethics

Commission disclosing when the candidate committee has received contributions to be deposited into its Campaign Contribution Trust Account or made expenditures that in the aggregate equal or exceed \$1,000,000. The candidate committee shall file this report within 24 hours of reaching or exceeding the threshold. Thereafter, the candidate committee shall file an additional supplemental report within 24 hours of every time the candidate committee receives additional contributions or makes additional expenditures that in the aggregate equal or exceed \$50,000.

(3) The Executive Director shall post the information disclosed on statements required by this subsection on the website of the Ethics Commission within two business days of the statement's filing.

(c) The supplemental statements required by Subsections (a)(2) and (b)(2) are not required until the Ethics Commission has certified that at least one candidate is eligible to receive public funds under this Chapter, provided that within two business days of the date that the Ethics Commission provides notice under this subsection that it has certified that a candidate is eligible to receive public funds under this Chapter, any report that previously would have been required under (a)(2) and (b)(2) must be filed. Within two business days of certifying that at least one candidate is eligible to receive public financing under this Chapter, the Ethics Commission shall post a notice on its website, send out a press release and send written notice by regular or electronic mail to all other candidates running for the same City elective office and to any other person who has requested such notice.

## 1 SEC. 1.161. CAMPAIGN ADVERTISEMENTS. 2 (a) DISCLAIMERS. In addition to complying with the disclaimer requirements set forth 3 in Chapter 4 of the California Political Reform Act, California Government Code sections 84100 et seq., and its enabling regulations, all committees making expenditures which 4 5 support or oppose any candidate for City elective office or any City measure shall also comply 6 with the following additional requirements: 7 8 (2) WEBSITE REFERRAL. Each disclaimer required by the Political Reform 9 Act or its enabling regulations and by this Section 1.161 shall be followed in the same 10 required format, size, and speed by the following phrase: "Financial disclosures are available 11 at sfethics.org/website address designated by the Ethics Commission." A substantially similar 12 statement that specifies the web site may be used as an alternative in audio communications. 13 14 (4) CANDIDATE ADVERTISEMENTS. Advertisements by candidate committees shall include the following disclaimer statements: "Paid for by \_\_\_\_\_ 15 (insert 16 the name of the candidate committee)." and "Financial disclosures are available at sfethics.org[website address designated by the Ethics Commission]." Except as provided in 17 18 subsections (a)(3) and (a)(5), the statements' format, size, and speed shall comply with the disclaimer requirements for independent expenditures for or against a candidate set forth in 19 20 the Political Reform Act and its enabling regulations. 21 22

SEC. 1.162. ELECTIONEERING COMMUNICATIONS.

(1) Every electioneering communication for which a statement is filed pursuant

(a) DISCLAIMERS.

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to subsection (b) shall include the following disclaimer: "Paid for by \_\_\_\_\_ (insert the name of the person who paid for the communication)." and "Financial disclosures are available at \*sfethics.org\*[website address designated by the Ethics Commission]."

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#### SEC. 1.170. PENALTIES.

- (a) CRIMINAL. Any person who knowingly or willfully violates any provision of this Chapter-*I* shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than \$5,000 for each violation or by imprisonment in the County jail for a period of not more than six months or by both such fine and imprisonment; provided, however, that any willful or knowing failure to report contributions or expenditures done with intent to mislead or deceive or any willful or knowing violation of the provisions of Sections 1.114, 1.126, or 1.127 of this Chapter I shall be punishable by a fine of not less than \$5,000 for each violation or three times the amount not reported or the amount received in excess of the amount allowable pursuant to Sections 1.114, 1.126, or 1.127 of this Chapter I, or three times the amount expended in excess of the amount allowable pursuant to Section 1.130 or 1.140, whichever is greater.
- (b) CIVIL. Any person who intentionally or negligently violates any of the provisions of this Chapter—I shall be liable in a civil action brought by the City Attorney for an amount up to \$5,000 for each violation or three times the amount not reported or the amount received in excess of the amount allowable pursuant to Sections 1.114, 1.126, or 1.127 or three times the amount expended in excess of the amount allowable pursuant to Section 1.1301.131 or 1.140, whichever is greater. In determining the amount of liability, the court may take into account the seriousness of the violation, the degree of culpability of the defendant, and the ability of the defendant to pay.

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#### (i) EFFECT OF VIOLATION ON CANDIDACY.

- (1) If a candidate is convicted, in a court of law, of a violation of this Chapter at any time prior to his or her election, his or her candidacy shall be terminated immediately and he or she shall be no longer eligible for election, unless the court at the time of sentencing specifically determines that this provision shall not be applicable. No person convicted of a misdemeanor under this Chapter after his or her election shall be a candidate for any other City elective office for a period of five years following the date of the conviction unless the court shall at the time of sentencing specifically determine that this provision shall not be applicable.
- (2) If a candidate for the Board of Supervisors certified as eligible for public financing is found by a court to have exceeded the Individual Expenditure Ceiling in this Chapter by ten percent 10% or more at any time prior to his or her election, such violation shall constitute official misconduct. The Mayor may suspend any member of the Board of Supervisors for such a violation, and seek removal of the candidate from office following the procedures set forth in Charter Section 15.105(a).
- (3) A plea of nolo contendere, in a court of law, shall be deemed a conviction for purposes of this Section *1.170*.

Section 2. Prerequisites for Enactment; Super-Majority Vote Requirement. The enactment of Section 1 of this ordinance is subject to provisions of the Campaign and Governmental Conduct Code that require the amendments to be approved by the Ethics Commission by a supermajority vote of at least four members of the Commission, and approved by a supermajority vote of at least eight members of the Board of Supervisors.

Section 3. Effective Date. This ordinance shall become effective 30 days after
enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
of Supervisors overrides the Mayor's veto of the ordinance.

Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

Section 5. Severability. If any section, subsection, sentence, clause, phrase, or word of this ordinance, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of the ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and each and every section, subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this ordinance or application thereof would be subsequently declared invalid or unconstitutional.

APPROVED AS TO FORM: DAVID CHIU, City Attorney

By:

<u>/s/ Kathleen Vermazen Radez</u> Kathleen Vermazen Radez Deputy City Attorney

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## **LEGISLATIVE DIGEST**

[Campaign and Governmental Conduct Code - Campaign Public Financing Expenditure Ceilings and Reporting Requirements, and Campaign Contribution Limits]

Ordinance amending the Campaign and Governmental Conduct Code to modify the public financing program for candidates for Mayor and Board of Supervisors by replacing the current process of continuous adjustments of individual expenditure ceilings to a "one-and-done" approach in which the ceiling is removed for all candidates within the race once certain spending reaches a specified amount, and adjusting reporting requirements; raise the campaign contribution limit from \$500 to \$1,000 and authorize the Ethics Commission to adjust the contribution limit going forward for changes in the Consumer Price Index; and allow the Ethics Commission to designate the website to be used in campaign advertisement disclaimers.

#### **Existing Law**

San Francisco implemented a limited public campaign financing program after the 2000 election to address concerns about the role of money in campaigns and politics. Under the program administered by the Ethics Commission, candidates for the Office of Mayor and the Board of Supervisors who qualify and meet program eligibility requirements may receive public funds. To participate, candidates must agree to adhere to campaign spending limits. The initial individual expenditure ceiling (IEC) for Supervisorial candidates is \$350,000, and the initial IEC for Mayoral candidates is \$1.7 million. These initial IEC levels have not been adjusted since 2019. The ceilings, however, may be incrementally raised during the course of a campaign to allow candidates subject to the limit to respond when independent expenditures and opponent fundraising exceed the candidate's current IEC. This process of incrementally adjusting each candidate's IEC can continue indefinitely, requiring ongoing reporting by candidates and ongoing adjustments by Ethics Commission auditors.

As permitted under the California Political Reform Act, San Francisco has adopted by ordinance a local contribution limit of \$500. This limit has remained unchanged since 2000.

Campaign and Governmental Conduct Code Sections 1.161 and 1.162 require campaign advertisements to contain a disclaimer with the language "Financial disclosures are available at sfethics.org."

#### Amendments to Current Law

These amendments adopt a "one-and-done" mechanism to adjust the expenditure ceiling, similar to that applied in other comparable jurisdictions. To trigger the lifting of the applicable expenditure ceiling, non-participating candidates would be required to file a notice with the Ethics Commission within one business day of receiving contributions, or making

BOARD OF SUPERVISORS Page 1

expenditures, that aggregate to 75 percent or more of the applicable expenditure ceiling total. Additionally, Staff would monitor the level of independent expenditures made in a race to determine when independent spending exceeds 75 percent of the current ceiling. Lifting the applicable ceiling when these 75 percent thresholds are passed will allow participating candidates to have sufficient lead time before they are surpassed by independent expenditures or spending by non-participating candidates. Once a 75 percent specified threshold has been passed that indicates a change to an expenditure ceiling is warranted, all candidates in the race would be permanently released from the applicable expenditure ceiling for the remainder of the election. In conjunction with these changes, the existing threshold reporting requirements would be adjusted to reflect that this ongoing reporting is no longer necessary.

This amendment will also adjust the contribution limit from \$500 to \$1,000 to reflect changes to the California Consumer Price Index, and will add a mechanism for the Ethics Commission to regularly adjust the limit to the nearest \$100, similar to how the State makes periodic adjustments to its limit.

Finally, this amendment updates the disclaimer requirements in anticipation of the transition to a different web domain for the Ethics Commission to comply with 2023 state legislation requiring that cities and counties must maintain websites that utilize a ".gov." or ".ca.gov" domain by January 1, 2029.

#### **Background Information**

The proposed amendments to the Campaign and Governmental Conduct Code must be approved by the Ethics Commission by a supermajority vote of at least four members of the Commission, and approved by a supermajority vote of at least eight members of the Board of Supervisors.

In its current form, the IEC mechanism has been found to be ineffective at limiting candidate spending, while imposing high administrative costs on Ethics Commission Staff and participating committees. There is strong evidence that the current model of perpetual IEC raising does not significantly limit candidate spending, as candidates are frequently able to spend all their available funds, without ever hitting against their IEC. For the 2024 election, there were 295 IEC increases — of which only 12 impacted a candidate's ability to make expenditures. In all other instances, spending by opponents and third parties entitled candidates to an IEC increase even though they had not yet raised sufficient funds to be able to make expenditures up to their current IEC level.

Given that the current IEC mechanism is not achieving its intended purpose, and in line with feedback received from candidates and their treasurers, Ethics Commission Staff have determined that the burden it imposes on participating candidates is not justified. In line with those findings, Ethics Commission Staff proposed changes to the current program to reflect a shift to a "one and done" expenditure ceiling model similar to those used in other jurisdictions.

BOARD OF SUPERVISORS Page 2

San Francisco's current contribution limit of \$500 was set in 2000 and has not been adjusted since (Ord. 71-00). Given that adjustments for inflation allow for an accurate understanding of the current real value of money and the rising costs of campaigns means that candidates need to raise more funds to achieve their campaign goals, it is an appropriate time to adjust the City's limits for inflation. Increasing the City's limit from \$500 to \$1,000 would keep it comparable to other local jurisdictions, such as Los Angeles, which recently increased its limit to \$1,000. In 2024, the average contribution limit among California cities with their own local contribution limits was \$777. The new amount of \$1,000 would also still be significantly less than the current State limit of \$5,900.

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BOARD OF SUPERVISORS Page 3



25 Van Ness Avenue, STE 220 San Francisco, CA 94102-6053 ethics.commission@sfgov.org 415-252-3100 | sfethics.org

August 22, 2025

Honorable Members of the San Francisco Board of Supervisors Attention: Angela Calvillo, Clerk of the Board of Supervisors

#### **Re: Ethics Commission Streamlining Legislation**

Dear Members of the Board of Supervisors:

I am writing today to introduce two ordinances to the Board of Supervisors for consideration. These ordinances stem from the Commission's current Streamlining Project that was undertaken to evaluate various programs and policies administered by the Commission to determine if they are effective, efficient, adding value to the City, and furthering the Commission's mission of promoting the highest standards of integrity in government.

#### **Recommendations & Legislation**

The first of the two ordinances we are introducing involve campaign consultants, supplemental recusal notifications, and major developer disclosures. This proposed legislation would enact the following changes to City law:

- Discontinue the registration and reporting requirements for campaign consultants and instead
  require consultants to supply their clients with the information necessary to report the
  consultant's activities through the campaign committee's other existing campaign finance
  disclosures.
- Remove the City's requirement to file supplemental recusal notifications with the Ethics
   Commission but retain the existing recusal procedures that occur during the meeting in which
   the recusal is made.
- 3. Discontinue the disclosure requirements for major developers and instead, if a developer is paying a nonprofit for lobbyist services, require the developer to provide the lobbyist with the information they need to register and report as a lobbyist under the City's existing rules.

Each of these programs and policies is unique to San Francisco and not found in comparable jurisdictions. The proposed changes would streamline these programs and policies which are currently overly complicated, burdensome, and adding limited value the City. By adjusting the scope and structure of these policies, City resources can be better focused on the core functions of the Commission.

The second ordinance would make changes to expenditure ceilings and reporting requirements within the City's Public Financing Program and adjust the City's campaign contribution limit. It is important to note these amendments would not change the eligibility requirements for the Public Financing Program or change the amount of public financing a candidate could receive under the program. This proposed ordinance would:

- 1. Streamline how expenditure ceilings apply to candidates by having ceilings apply consistently to all participating candidates in a race and establishing a process for then removing the ceiling in a race based on spending by third parties and non-participating candidates. This would replace the current process of applying unique ceilings to individual candidates, which are then adjusted indefinitely throughout the election. This change would simplify a process that is currently unnecessarily complicated and time-consuming for candidates, treasurers, and City staff who administer the Public Financing Program.
- 2. Increase the City's campaign contribution limit from \$500 to \$1,000 to adjust for inflation for the first time in 25 years and establish a clear mechanism for future updates to the limit.

  Adjusting the campaign contribution limit will help candidates run viable campaigns from their controlled committees in the face of increased third-party spending.

In addition to the legislative digests provided by the City Attorney's Office, Ethics Commission staff have also provided an overview document for each of these two ordinances that covers each proposed change and is organized by code section, which is provided below as **Attachment 1**.

#### **Additional Background & Resources**

Ethics Commission staff began working on the Streamlining Project in January of this year. This project included soliciting feedback from the regulated community, members of the public, and other stakeholders. This stakeholder engagement work included two public <a href="Interested Persons">Interested Persons</a> meetings related to this project, which were held on March 11 and March 13.

In June, Staff presented preliminary recommendations to the Ethics Commission regarding this project. Memoranda containing findings and recommendations can be found in the Commission's June 2025 meeting materials. In August, Staff provided the Commission with an additional memorandum and drafts of the ordinances being introduced today.

Both ordinances would amend the Campaign & Governmental Conduct Code and require supermajority approval from both the Ethics Commission and the Board of Supervisors to be enacted. The Ethics Commission intends to consider both ordinances during its next regular meeting on September 12.

Thank you for your consideration of these two ordinances. If you have questions or would like to engage on this matter, please contact me or our Policy & Legislative Affairs Manager, Michael Canning (Michael.A.Canning@sfgov.org).

Sincerely,

Patrick Ford \
Executive Director

San Francisco Ethics Commission

**Attachment 1:** Overview of Ethics Commission Streamlining Legislation

<sup>&</sup>lt;sup>1</sup> See Items 7 and 8 of the June 13, 2025 Agenda, https://sfethics.org/ethics/2025/06/june-13-2025-agenda.html.

<sup>&</sup>lt;sup>2</sup> See Item 7 and related attachments from the August 8, 2025 Agenda, https://sfethics.org/ethics/2025/08/agenda-august-8-2025.html



## Attachment 1: Overview of Streamlining Legislation

This document contains two tables, which summarize the two pieces of streamlining legislation currently before the Board of Supervisors and the Ethics Commission that would amend the Campaign & Governmental Conduct Code (C&GCC). The tables are organized by the code section.

## Overview of Legislation Amending the City's Rules Regarding Campaign Consultants, Supplemental Recusal Notifications, & Major Developers

Type of Change & Code Section	Description of Change	
Remove: Article I, Chapter 5 – Section 1.500	Deletes this entire section on findings as this is no longer necessary.	
Amend: Article I, Chapter 5 – Section 1.510	Amends this section so that it no longer requires campaign consultants to register and file reports with the Ethics Commission. Instead, the section requires campaign consultants to provide their clients with the information the client needs to fully disclosure their campaign spending associated with the consultant. This information includes:	
	The name, business address, and business phone number of the campaign consultant;	
	<ol> <li>If the campaign consultant is an individual, the name of the campaign consultant's employer and a description of the business activity engaged in by the employer; and</li> </ol>	
	<ol> <li>Any economic consideration promised to or received by the campaign consultant from vendors and subvendors who provided campaign-related goods or services to the client's campaign, provided that the total is \$500 or more.</li> </ol>	
Remove: Article I, Chapter 5 – Section 1.515	Deletes this entire section related to registration, reporting, and fees from campaign consultants.	
Remove: Article I, Chapter 5 – Section 1.520	Deletes this entire section related to duties of the Ethics Commission regarding registration and reporting by campaign consultants.	
	The Ethics Commission will continue to provide advice to campaign consultants and maintain regulations related to campaign consultants as necessary, however these duties do	

	not need to be articulated in this section, as they are part of the Commission's charter mandated duties.
Amend: Article I, Chapter 5 – Section 1.525	Removes subsection (a) dealing with penalties for failing to register and report, as this subsection will no longer be needed.
	Amends subsection (b) (formerly subsubsection (c)) to remove references to the registration and reporting requirements but retains the one-year ban on engaging in campaign consultant services, if the Commission finds the campaign consultant has violated the rules in Chapter 5.
	Adds new subsection (g) to require campaign consultants to retain the records necessary to substantiate the information they will be required to provide to their clients under Chapter 5.
Remove: Article I, Chapter 5 – Section 1.530	Deletes this entire section related to a campaign consultant code of conduct. If there is a need for a voluntary code of conduct for campaign consultants, such a document can be developed by the Commission through regulation and does not need to be stated in the C&GCC.
Amend: Article I, Chapter 5 – Section 1.540	Amends this section on electronic filing requirements so that references to the current registration and reporting requirements are removed. The section retains a general requirement that specifies required documents may be required electronically by the Commission, as is standard throughout other C&GCC chapters.
Amend: Article II, Chapter 1 – Section 2.117	Amends this section to retain the prohibition on lobbying by campaign consultants.
	Removes the references to the registration and reporting requirements in the definition or "current client."
	Removes the definition of "former client" and combines it with the definition of "current client" to instead jointly define "current or former client."
Amend: Article III, Chapter 2 – Section 3.209	Deletes the current subsections (b) and (c) to remove the supplemental recusal notification requirement, while retaining the recusal procedures currently in subsection (a).
	Updates subsection (a) to use gender neutral language.
Amend: Article III, Chapter 2 – Section 3.216	Amends this subsection (d) on gifts of travel to reflect that campaign consultants will no longer be required to register with the Ethics Commission and adds references to the appropriate code sections.

Remove: Article III, Chapter 5 – Section 3.500	Deletes this entire section on findings as this is no longer necessary.
Amend: Article III, Chapter 5 – Section 3.520	Amends this section so that it removes the current disclosure requirement for major developers and replaces it with a requirement on the major developer to provide anyone performing lobbyist services for the developer with the information such persons would need to register and report as a lobbyist.
Amend: Article III, Chapter 5 – Section 3.530	Removes subsection (a) dealing with penalties for failing to disclose, as this subsection will no longer be needed.

## Overview of Legislation on Expenditure Ceilings & Contribution Limits

Type of Change &	Description of Change
Code Section	
Amend: Article I, Chapter	Removes the following definitions as they will no longer be
1 – Section 1.104	relevant:
	<ul> <li>"Individual Expenditure Ceiling"</li> <li>"Total Opposition Spending"</li> <li>"Total Supportive Spending"</li> </ul>
	These terms are used in the current individual expenditure ceiling adjustment process but will not be used in the amended process.
Amend: Article I, Chapter 1 – Section 1.114	Updates the contribution limit to \$1,000 to reflect changes in the California Consumer Price Index (CA CPI) since 2000.
	Adds language specifying the Ethics Commission may adjust the contribution limit going forward to reflect changes in CA CPI.
	Updates subsection (d) to use gender neutral language.
Amend: Article I, Chapter	Updates the limits on loan amounts for changes in CA CPI.
1 – Section 1.116	Removes references specific to voluntary expenditure ceilings and updates a reference from Section 1.130 to Section 1.131.
	Clarifies that future adjustments to the limits on loan amounts shall be rounded to the nearest \$1,000.
Remove: Article I, Chapter 1 – Section 1.128	Deletes this entire section on the acceptance or rejection of voluntary expenditure ceilings. Similar information regarding voluntary expenditure ceilings will be covered in the new Section 1.129.
Add: Article I, Chapter 1 – Section 1.129 (New)	Creates a new section that covers how and when expenditure ceilings are required under the Public Financing Program and

	how non-mayoral and non-supervisorial candidates may accept or reject the voluntary expenditure ceiling in their race.
Remove: Article I, Chapter 1 – Section 1.130	Deletes this entire section on the amount of voluntary expenditure ceilings. Similar information regarding voluntary expenditure ceilings will be covered in the new Section 1.131.
Add: Article I, Chapter 1 – Section 1.131 <i>(New)</i>	Creates a new section that specifies the amounts of the expenditure ceilings for each of the following races:
	Board of Supervisors
	Mayor
	Other Citywide Offices
	Education Related Boards
	This section also includes language clarifying that the Commission is authorized to adjust these amounts going forward to reflect changes in the CA CPI to the nearest \$1,000.
Add: Article I, Chapter 1 – Section 1.133 (New)	Creates a new section that covers when expenditure ceilings will be lifted for a race, what additional reporting is required, the process for lifting the expenditure ceiling for a race, and the process for candidate objections to the lifting of an expenditure ceiling.
	This new process will remove the expenditure ceiling in a race as soon as either:
	<ol> <li>A non-participating candidate, not subject to the expenditure ceiling, makes expenditures or receives contributions in excess of 75% percent of the ceiling in their race, or</li> <li>Independent expenditures made in the race exceed 75% of the current expenditure ceiling in the race.</li> </ol>
Remove: Article I, Chapter 1 – Section 1.134	Deletes this entire section on the lifting of the voluntary expenditure ceilings and supplemental reporting requirements. Similar information will be covered in the new Section 1.133.
Amend: Article I, Chapter 1 – Section 1.140	Amends subsection (b)(4) to remove a reference to individual expenditure ceilings and updates references to other sections.
	Amends subsection (c)(4) to remove reference to individual expenditure ceilings and updates references to other sections.
	Removes subsection (d)(1) as information on future ceiling adjustments is now covered in the new Section 1.131.
	Updates section to use gender neutral language throughout.

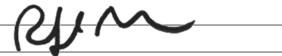
Amend: Article I, Chapter 1 – Section 1.142	Removes a reference in subsection (d) to Section 1.152 as it is being removed and replaces it with a reference to the new Section 1.333.  Updates section to use gender neutral language throughout.
Remove: Article I, Chapter 1 – Section 1.143	Deletes this entire section on adjusting individual expenditure ceilings. Similar information regarding expenditure ceilings will be covered in the new Section 1.133.
Remove: Article I, Chapter 1 – Section 1.152	Deletes this entire section on supplemental reporting in elections for Board of Supervisors and Mayor. Similar information regarding reporting requirements will be covered in the new Section 1.133.
Amend: Article I, Chapter 1 – Section 1.161	Changes the text in subsections (a)(2) and (a)(4) to replace "sfethics.org" with "[website address designated by the Ethics Commission]." This language needs to be updated before the Ethics Commission is soon required to change its website domain per State law.
Amend: Article I, Chapter 1 – Section 1.162	Changes text of subsection (a)(1) to replace "sfethics.org" with "[website address designated by the Ethics Commission]." This language needs to be updated before the Ethics Commission is soon required to change its website domain per State law.
Amend: Article I, Chapter 1 – Section 1.170	Changes this section to update references to other sections and makes non-substantive formatting amendments.

# **Introduction Form**

(by a Member of the Board of Supervisors or the Mayor)

I here	by subm	nit the following item for introduction (select only one):
	1.	For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
	2.	Request for next printed agenda (For Adoption Without Committee Reference) (Routine, non-controversial and/or commendatory matters only)
	3.	Request for Hearing on a subject matter at Committee
	4.	Request for Letter beginning with "Supervisor inquires"
	5.	City Attorney Request
	6.	Call File No. from Committee.
	7.	Budget and Legislative Analyst Request (attached written Motion)
	8.	Substitute Legislation File No.
	9.	Reactivate File No.
	10.	Topic submitted for Mayoral Appearance before the Board on
The p	-	legislation should be forwarded to the following (please check all appropriate boxes):
	⊔ Sn	nall Business Commission   Youth Commission   Ethics Commission
		anning Commission   Building Inspection Commission   Human Resources Department
Gene	ral Plan	Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):
	□ Ye	es 🗆 No
(Note	: For Im	perative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)
Spons	sor(s):	
Subje	ct:	
Long	Title or	text listed:

Signature of Sponsoring Supervisor:



From: <u>Mathewson, Melanie (BOS)</u>

To:Somera, Alisa (BOS); BOS Legislation, (BOS)Cc:Ho, Calvin (BOS); Canning, Michael (ETH)

**Subject:** Supervisor Mandelman Sponsor File 250867, 250868

**Date:** Tuesday, September 2, 2025 8:56:18 AM

Hi Alisa,

Please add Supervisor Mandelman as the primary sponsor to the following:

- Streamlining Various Policies (File #250867)
- Streamlining Expenditure Ceilings and Updating Contribution Limits (File #250868)

Thank you,

Melanie

# Melanie Mathewson (she/her)

Legislative Aide Office of Board President Rafael Mandelman, District 8 415-554-7753 From: Canning, Michael (ETH)

BOS Legislation, (BOS); Calvillo, Angela (BOS); Mchugh, Eileen (BOS); RADEZ, KATHLEEN (CAT); Ford, Patrick To:

(ETH)

**GERCHOW, MICHAEL (CAT)** Cc:

Subject: Two Ordinances for Introduction to Board of Supervisors from Ethics Commission

Friday, August 22, 2025 1:49:16 PM ORD - Ethics - Streamlining - 8.22.25.pdf Attachments: LEGDIGES - Ethics - Streamlining - 8.22.25.pdf

ORD - Ethics - Public Financing - 8.22.25.pdf LEGDIGES - Ethics - Public Financing - 8.22.25.pdf

Letter to Board Members Re Ethics Streamlining Legislation - Combined - 8.22.25.pdf

Importance:

Date:

## Dear Clerk Calvillo,

I am writing on behalf of Ethics Commission Executive Director, Patrick Ford, to introduce two ordinances that would make amendments to the Campaign & Governmental Conduct Code for consideration by the Board of Supervisors. These ordinances seek to streamline and update various programs and policies administered by the Ethics Commission.

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Both ordinances will require supermajority approval by both the Ethics Commission and the Board of Supervisors to be enacted. The Ethics Commission intends to consider and potentially vote on these ordinances at its meeting on September 12. To facilitate this, will it be possible for these ordinances to be referred back to the Ethics Commission before September 5, if they are introduced at the Board on September 2?

Thank you and please let us know if there is anything else we need to provide to have these items introduced on September 2.

Best. Michael

Michael Canning | Policy and Legislative Affairs Manager

pronouns: he/him

**San Francisco Ethics Commission** 

25 Van Ness Ave., Suite 220 San Francisco, CA 94102

Michael. A. Canning@sfgov.org | (415) 252-3130

sfethics.org

From: Canning, Michael (ETH)

BOS Legislation, (BOS); RADEZ, KATHLEEN (CAT); Ford, Patrick (ETH) To: GERCHOW, MICHAEL (CAT); Calvillo, Angela (BOS); Mchugh, Eileen (BOS) Cc:

Subject: RE: Two Ordinances for Introduction to Board of Supervisors from Ethics Commission

Date: Friday, August 22, 2025 4:11:40 PM

Attachments: image001.png

# Thanks, Lisa – sounds good!

# Best. Michael

#### Michael Canning | Policy and Legislative Affairs Manager

pronouns: he/him

**San Francisco Ethics Commission** 

25 Van Ness Ave., Suite 220 San Francisco, CA 94102

Michael.A.Canning@sfgov.org | (415) 252-3130

sfethics.org

From: BOS Legislation, (BOS) <bos.legislation@sfgov.org>

**Sent:** Friday, August 22, 2025 3:13 PM

To: Canning, Michael (ETH) <michael.a.canning@sfgov.org>; BOS Legislation, (BOS)

<bos.legislation@sfgov.org>; RADEZ, KATHLEEN (CAT) <Kathleen.Radez@sfcityatty.org>; Ford,

Patrick (ETH) <patrick.ford@sfgov.org>

Cc: GERCHOW, MICHAEL (CAT) < Michael.Gerchow@sfcityatty.org>; Calvillo, Angela (BOS)

<angela.calvillo@sfgov.org>; Mchugh, Eileen (BOS) <eileen.e.mchugh@sfgov.org>

**Subject:** RE: Two Ordinances for Introduction to Board of Supervisors from Ethics Commission

Hi Michael.

Thank you for providing the word versions of the legislations.

For an introduction of September 2nd, the file will not be ready for viewing and referral until September 5th at the earliest. The referral will come from the committee clerk of the assigned committee. Kindly check back with our office or view our website for committee assignment/clerk on or after September 5th, after the Board President has approved the committee assignment, you can reach out to the appropriate committee clerk.

#### Lisa Lew

San Francisco Board of Supervisors 1 Dr. Carlton B. Goodlett Place, Room 244 San Francisco, CA 94102 T 415-554-7718 | F 415-554-5163 lisa.lew@sfgov.org | www.sfbos.org

(VIRTUAL APPOINTMENTS) To schedule a "virtual" meeting with me (on Microsoft Teams), please ask and I can answer your questions in real time.



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From: Canning, Michael (ETH) < michael.a.canning@sfgov.org>

**Sent:** Friday, August 22, 2025 2:39 PM

**To:** BOS Legislation, (BOS) < bos.legislation@sfgov.org>; RADEZ, KATHLEEN (CAT)

<<u>Kathleen.Radez@sfcityatty.org</u>>; Ford, Patrick (ETH) <<u>patrick.ford@sfgov.org</u>>

**Cc:** GERCHOW, MICHAEL (CAT) < <u>Michael.Gerchow@sfcityatty.org</u>>; Calvillo, Angela (BOS)

<angela.calvillo@sfgov.org>; Mchugh, Eileen (BOS) <eileen.e.mchugh@sfgov.org>

**Subject:** RE: Two Ordinances for Introduction to Board of Supervisors from Ethics Commission

Hi Lisa,

Thank you for confirming receipt. I have attached the four Word documents requested.

If introduced on 9/2, will the referral back to the Ethics Commission happen that same week? Thank you!

Best, Michael

Michael Canning | Policy and Legislative Affairs Manager

pronouns: he/him

**San Francisco Ethics Commission** 

25 Van Ness Ave., Suite 220 San Francisco, CA 94102

Michael.A.Canning@sfgov.org | (415) 252-3130

sfethics.org

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**Sent:** Friday, August 22, 2025 2:10 PM

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From: Canning, Michael (ETH) < michael.a.canning@sfgov.org>

**Sent:** Friday, August 22, 2025 1:49 PM

**To:** BOS Legislation, (BOS) < bos.legislation@sfgov.org>; Calvillo, Angela (BOS)

<angela.calvillo@sfgov.org>; Mchugh, Eileen (BOS) <eileen.e.mchugh@sfgov.org>; RADEZ,

KATHLEEN (CAT) < Kathleen. Radez@sfcityatty.org>; Ford, Patrick (ETH) < patrick.ford@sfgov.org>

Cc: GERCHOW, MICHAEL (CAT) < Michael.Gerchow@sfcityatty.org>

**Subject:** Two Ordinances for Introduction to Board of Supervisors from Ethics Commission

Importance: High

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San Francisco Ethics Commission
25 Van Ness Ave., Suite 220
San Francisco, CA 94102
Michael.A.Canning@sfgov.org | (415) 252-3130
sfethics.org

From: Radez, Kathleen (CAT)

To: Canning, Michael (ETH); BOS Legislation, (BOS); Ford, Patrick (ETH)
Cc: GERCHOW, MICHAEL (CAT); Calvillo, Angela (BOS); Mchugh, Eileen (BOS)

Subject: RE: Two Ordinances for Introduction to Board of Supervisors from Ethics Commission

**Date:** Friday, August 22, 2025 2:42:09 PM

Attachments: <u>image004.png</u>

Hi Lisa,

I'm writing to confirm approval to use my electronic signature and to approve as to form both attached proposed Ordinances.

Thanks, Kathy

# Kathleen Vermazen Radez (she/her)

Deputy City Attorney
Office of City Attorney David Chiu
(415) 554-6549 Direct
www.sfcityattorney.org

Attorney-Client Communication - Do Not Disclose Confidential Attorney Work Product - Do Not Disclose

This email may contain privileged or confidential information. If you are not the intended recipient, please reply to this email to inform me of your receipt and then destroy all copies.

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**Sent:** Friday, August 22, 2025 2:39 PM

**To:** BOS Legislation, (BOS) <br/>
<br/>
<br/>
Kathleen.Radez@sfcityatty.org>; Ford, Patrick (ETH) <patrick.ford@sfgov.org>

**Cc:** Gerchow, Michael (CAT) <Michael.Gerchow@sfcityatty.org>; Calvillo, Angela (BOS)

<angela.calvillo@sfgov.org>; Mchugh, Eileen (BOS) <eileen.e.mchugh@sfgov.org>

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Michael Canning | Policy and Legislative Affairs Manager pronouns: he/him San Francisco Ethics Commission 25 Van Ness Ave., Suite 220

San Francisco, CA 94102 <u>Michael.A.Canning@sfgov.org</u> | (415) 252-3130 <u>sfethics.org</u>

1	[Campaign and Governmental Conduct Code - Campaign Public Financing Expenditure Ceilings and Reporting Requirements, and Campaign Contribution Limits]
2	
3	Ordinance amending the Campaign and Governmental Conduct Code to modify the
4	public financing program for candidates for Mayor and Board of Supervisors by
5	replacing the current process of continuous adjustments of individual expenditure
6	ceilings to a "one-and-done" approach in which the ceiling is removed for all
7	candidates within the race once certain spending reaches a specified amount, and
8	adjusting reporting requirements; raise the campaign contribution limit from \$500 to
9	\$1,000 and authorize the Ethics Commission to adjust the contribution limit going
10	forward for changes in the Consumer Price Index; and allow the Ethics Commission to
11	designate the website to be used in campaign advertisement disclaimers.
12	NOTE: Unchanged Code text and uncodified text are in plain Arial font.
13	Additions to Codes are in <u>single-underline italics Times New Roman font</u> .  Deletions to Codes are in <u>strikethrough italics Times New Roman font</u> .
14	Board amendment additions are in double-underlined Arial font.  Board amendment deletions are in strikethrough Arial font.
15	Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.
16	
17	Be it ordained by the People of the City and County of San Francisco:
18	
19	Section 1. Article I, Chapter 1 of the Campaign and Governmental Conduct Code is
20	hereby amended by revising Sections 1.104, 1.114, 1.116, 1.140, 1.142, 1.161, 1.162, and
21	1.170, adding Sections 1.129, 1.131, and 1.133, deleting Sections 1.128, 1.130, 1.134, 1.143
22	and 1.152, to read as follows:
23	
24	SEC. 1.104. DEFINITIONS.
25	Whenever in this Chapter 1 the following words or phrases are used, they shall mean:

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"Individual Expenditure Ceiling" shall mean the expenditure ceiling established for each individual candidate for Mayor or the Board of Supervisors whom the Ethics Commission has certified as eligible to receive public funds under this Chapter.

\* \* \* \*

\* \* \* \*

\* \* \* \*

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

"Total Supportive Funds" shall mean the sum of all contributions received by a candidate committee supporting a candidate for Mayor or the Board of Supervisors, other than any funds that exceed the candidate's Individual Expenditure Ceiling, plus the expenditures made or expenses incurred by any person or persons for the purpose of making independent expenditures, electioneering communications or member communications in support of that same candidate.

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## SEC. 1.114. CONTRIBUTIONS – LIMITS AND PROHIBITIONS.

(a) LIMITS ON CONTRIBUTIONS TO CANDIDATES. No person other than a candidate shall make, and no campaign treasurer for a candidate committee shall solicit or accept, any contribution which will cause the total amount contributed by such person to such candidate committee in an election to exceed \$500\$1,000. The Ethics Commission is authorized to adjust this figure to reflect changes in the California Consumer Price Index, provided that such adjustments shall be rounded off to the nearest \$100.

24

25

(d) PROHIBITION ON CONTRIBUTIONS FOR OFFICIAL ACTION. No candidate

\* \* \* \*

1	may, directly or by means of an agent, give, offer, promise to give, withhold, or offer or
2	promise to withhold his or her their vote or influence, or promise to take or refrain from taking
3	official action with respect to any proposed or pending matter in consideration of, or upon
4	condition that, any other person make or refrain from making a contribution.
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# SEC. 1.116. LIMITS ON LOANS TO CANDIDATES.

- (a) A candidate's loan of personal funds to the candidate's campaign may not exceed at any time more than:
- (1) \$15,000.0027,000 for a candidate for the Board of Supervisors, Board of Education of the San Francisco Unified School District or the Governing Board of the San Francisco Community College District,
  - (2) \$\frac{120,000.00}{213,000}\text{ for a candidate for Mayor, or
- (3) \$35,000.0062,000 for a candidate for Assessor or Public Defender, City Attorney, Treasurer, District Attorney or Sheriff.
- (b) A candidate may not charge interest on any loan the candidate has made to the candidate's campaign.
- (c) In addition to any other penalty, loans made by a candidate to the candidate's campaign in excess of the amounts in Subsection (a) shall be deemed a contribution to the campaign and may not be repaid to the candidate.
- (d) Whenever the Ethics Commission adjusts the *voluntary* expenditure ceilings to reflect changes in the California Consumer Price Index, as authorized under Section 1.130 <u>1.131</u>, the Commission is authorized to adjust the loan amounts in this Section <u>1.116</u> to reflect changes in the Consumer Price Index, provided that such adjustments shall be rounded off to the nearest \$1,000.

# 1 SEC. 1.128. ACCEPTANCE OR REJECTION OF VOLUNTARY EXPENDITURE CEILINGS. 2 3 (a) Candidates for Assessor, City Attorney, District Attorney, Public Defender, Sheriff, Treasurer, the Board of Education of the San Francisco Unified School District or the Governing 4 Board of the San Francisco Community College District may accept the applicable voluntary 5 expenditure ceiling. Candidates for the Board of Supervisors or Mayor may not accept a voluntary 6 7 expenditure ceiling. 8 (b) To accept the applicable voluntary expenditure ceiling, a candidate must file a statement 9 with the Ethics Commission accepting the applicable voluntary expenditure ceiling. The candidate shall file this statement no later than the deadline for filing nomination papers with the Department of 10 Elections. A candidate may not withdraw the statement accepting the voluntary expenditure ceiling 11 12 after filing the statement. A candidate may not file the statement accepting the applicable voluntary 13 expenditure ceiling if the Ethics Commission has lifted the voluntary expenditure ceiling under Section 1.134 of this Chapter. 14 15 (c) The Ethics Commission shall maintain, on its website, a list of the candidates who have 16 accepted the voluntary expenditure ceiling. If the Ethics Commission has lifted a voluntary expenditure 17 ceiling for a particular race under Section 1.134 of this Chapter, the Ethics Commission shall instead 18 maintain a list of the candidates who have accepted, but are no longer subject to the voluntary expenditure ceiling in that race. 19 20 (d) A candidate who has accepted the applicable voluntary expenditure ceiling and makes 21 qualified campaign expenditures in excess of the voluntary expenditure ceiling, at a time when the 22 Ethics Commission has not lifted the applicable voluntary expenditure ceiling, is subject to the 23 penalties in Section 1.170 for violation of this Chapter. 24

# 1 SEC. 1.129. EXPENDITURE CEILINGS. 2 (a) Required Expenditure Ceilings for Public Financing. 3 (1) To be eligible to receive public financing of campaign expenses under this Chapter, candidates for the Board of Supervisors or Mayor must agree that their candidate committee will not 4 make qualified campaign expenditures that total more than the applicable expenditure ceiling specified 5 6 in Section 1.131, unless the expenditure ceiling has been lifted as specified in Section 1.133. 7 (2) A candidate shall indicate their tentative acceptance of the expenditure ceiling by 8 filing their statement of participation with the Ethics Commission as required by Section 1.140. 9 (3) The expenditure ceiling shall apply to a candidate if the Executive Director has certified the candidate is eligible to receive public financing under Section 1.142. 10 (4) The Ethics Commission shall maintain, on its website, a list of the candidates who 11 12 are subject to the expenditure ceiling. If the Ethics Commission has lifted the expenditure ceiling for a 13 particular race under Section 1.133, the Ethics Commission shall instead maintain a list of the candidates who have accepted public financing, but are no longer subject to the expenditure ceiling in 14 15 that race. (5) A candidate who is subject to the expenditure ceiling and makes qualified campaign 16 expenditures in excess of the applicable expenditure ceiling, at a time when the Ethics Commission has 17 18 not lifted the expenditure ceiling, is subject to the penalties in Section 1.170 for violation of this 19 Chapter. 20 (b) Voluntary Expenditure Ceilings. 21 (1) Candidates for Assessor-Recorder, City Attorney, District Attorney, Public Defender, Sheriff, Treasurer, the Board of Education of the San Francisco Unified School District, or 22 23 the Governing Board of the San Francisco Community College District may accept the applicable 24 voluntary expenditure ceiling specified in Section 1.131, unless the expenditure ceiling has been lifted

as specified in Section 1.133. Candidates for the Board of Supervisors or Mayor may not accept a

1	<u>voluntary expenditure ceiling.</u>
2	(2) To accept

(2) To accept the applicable voluntary expenditure ceiling, a candidate must file a
statement with the Ethics Commission accepting the applicable voluntary expenditure ceiling. The
candidate shall file this statement no later than the deadline for filing nomination papers with the
Department of Elections. A candidate may not withdraw the statement accepting the voluntary
expenditure ceiling after filing the statement. A candidate may not file the statement accepting the
applicable voluntary expenditure ceiling if the Ethics Commission has lifted the voluntary expenditure
ceiling under Section 1.333.

(3) The Ethics Commission shall maintain, on its website, a list of the candidates who have accepted the voluntary expenditure ceiling. If the Ethics Commission has lifted a voluntary expenditure ceiling for a particular race under Section 1.133, the Ethics Commission shall instead maintain a list of the candidates who have accepted, but are no longer subject to, the voluntary expenditure ceiling in that race.

(4) A candidate who has accepted the applicable voluntary expenditure ceiling and makes qualified campaign expenditures in excess of the voluntary expenditure ceiling, at a time when the Ethics Commission has not lifted the applicable voluntary expenditure ceiling, is subject to the penalties in Section 1.170 for violation of this Chapter.

#### SEC. 1.130. AMOUNT OF VOLUNTARY EXPENDITURE CEILINGS.

(a) Any candidate for Assessor, Public Defender, City Attorney, District Attorney, Treasurer, or Sheriff who agrees to accept voluntary expenditure ceilings shall not make total qualified campaign expenditures exceeding \$243,000, unless the Ethics Commission has lifted the voluntary expenditure ceiling pursuant to Section 1.134 of this Chapter.

(b) Any candidate for the Board of Education of the San Francisco Unified School District or the Governing Board of the San Francisco Community College District who agrees to accept voluntary

1	expenditure ceilings shall not make total qualified campaign expenditures exceeding \$104,000, unless
2	the Ethics Commission has lifted the voluntary expenditure ceiling pursuant to Section 1.134 of this
3	Chapter.
4	(c) The Ethics Commission is authorized to adjust annually by regulation the voluntary
5	expenditure ceilings imposed by this Section to reflect the change in the California Consumer Price
6	Index for that year, provided that such adjustments shall be rounded off to the nearest \$1,000.
7	
8	SEC. 1.131. AMOUNT OF EXPENDITURE CEILINGS.
9	(a) Any candidate for the Board of Supervisors subject to an expenditure ceiling under Section
10	1.129(a) shall not make total qualified campaign expenditures exceeding \$412,000, unless the Ethics
11	Commission has lifted the expenditure ceiling pursuant to Section 1.133.
12	(b) Any candidate for Mayor subject to an expenditure ceiling under Section 1.129(a) shall not
13	make total qualified campaign expenditures exceeding \$2,005,000, unless the Ethics Commission has
14	lifted the expenditure ceiling pursuant to Section 1.133.
15	(c) Any candidate for Assessor-Recorder, Public Defender, City Attorney, District Attorney,
16	Treasurer, or Sheriff who agrees to accept a voluntary expenditure ceiling under Section 1.129(b) shall
17	not make total qualified campaign expenditures exceeding \$374,000, unless the Ethics Commission has
18	lifted the voluntary expenditure ceiling pursuant to Section 1.133.
19	(d) Any candidate for the Board of Education of the San Francisco Unified School District or
20	the Governing Board of the San Francisco Community College District who agrees to accept a
21	voluntary expenditure ceiling under Section 1.129(b) shall not make total qualified campaign
22	expenditures exceeding \$160,000, unless the Ethics Commission has lifted the voluntary expenditure
23	ceiling pursuant to Section 1.133.
24	(e) The Ethics Commission is authorized to adjust the expenditure ceilings imposed by this
25	Section 1.131 to reflect changes in the California Consumer Price Index, provided that such

1	adjustments shall be rounded off to the nearest \$1,000.
2	
3	SEC. 1.133. LIFTING OF EXPENDITURE CEILINGS AND SUPPLEMENTAL
4	REPORTING REQUIREMENTS.
5	(a) Lifting of Expenditure Ceilings.
6	(1) An expenditure ceiling shall no longer be binding on a candidate:
7	(A) if a candidate seeking election to the same office who is not subject to an
8	expenditure ceiling under Section 1.129(a), or who has not accepted a voluntary expenditure ceiling
9	under Section 1.129(b), receives contributions or makes qualified campaign expenditures in excess of
10	75% of the applicable expenditure ceiling;
11	(B) if a candidate seeking election to the same office, who is subject to the
12	expenditure ceiling or makes qualified campaign expenditures in excess of 100% of the applicable
13	expenditure ceiling; or
14	(C) if a person or persons makes expenditures or payments, or incurs expenses
15	for the purpose of making independent expenditures, electioneering communications, or member
16	communications, and those expenditures, payments, and expenses clearly identify a candidate seeking
17	election to the same City elective office and total more than 75% of the applicable expenditure ceiling.
18	(b) Additional Reporting Requirements.
19	(1) In addition to the campaign disclosure requirements imposed by the California
20	Political Reform Act and other provisions of this Chapter:
21	(A) Each candidate committee supporting a candidate in a race with an active
22	expenditure ceiling that receives contributions or makes qualified campaign expenditures that total
23	more than 75% of the applicable expenditure ceiling shall, within 24 hours of exceeding 75% of the
24	applicable expenditure ceiling, file a statement with the Ethics Commission, on forms to be provided by
25	the Ethics Commission, stating that fact and any additional information required by the Ethics

1	<u>Commission.</u>
2	(B) Each candidate committee supporting a candidate for the Board of
3	Supervisors shall file a statement with the Ethics Commission indicating when the committee has
4	received contributions to be deposited into its Campaign Contribution Trust Account or made qualified
5	campaign expenditures that equal or exceed the amount stated in Section 1.140(b)(3) within 24 hours
6	of reaching or exceeding that amount.
7	(C) Each candidate committee supporting a candidate for Mayor shall file a
8	statement with the Ethics Commission indicating when the candidate committee has received
9	contributions to be deposited into its Campaign Contribution Trust Account or made qualified
10	campaign expenditures, that equal or exceed the amount stated in Section 1.140(c)(3) within 24 hours
11	of reaching or exceeding that amount.
12	(2) The Executive Director shall post the information disclosed on statements required
13	by this subsection on the website of the Ethics Commission within two business days of the statement's
14	<u>filing.</u>
15	(c) Process for Lifting Expenditure Ceilings.
16	(1) The Executive Director shall promptly review statements filed pursuant to state and
17	local law, including the statement required by subsection (b)(1)(A) of this Section 1.133, and any other
18	materials the Executive Director deems relevant, to determine if an expenditure ceiling must be lifted
19	pursuant to subsection $(a)(1)(A)$ .
20	(2) The Executive Director shall promptly review statements filed pursuant to state and
21	local law, and any other materials the Executive Director deems relevant, to determine if an
22	expenditure ceiling must be lifted pursuant to subsection (a)(1)(B) of this Section 1.133.
23	(3) The Executive Director shall promptly review statements filed pursuant to state and
24	local law, including California Government Code section 84204 and Sections 1.161, 1.162, and 1.163,
25	and any other materials the Executive Director deems relevant, to determine whether a communication

1	supports or opposes one or more candidates in a race and if an expenditure ceiling must be lifted
2	pursuant to subsection (a)(1)(C) of this Section 1.133.
3	The Executive Director shall use the following factors to determine whether the communication
4	supports or opposes one or more candidates include the following:
5	(A) whether the communication clearly identifies one or more candidates;
6	(B) the timing of the communication;
7	(C) the voters targeted by the communication;
8	(D) whether the communication identifies any candidate's position on a public
9	policy issue and urges the reader or viewer to take action, including calling the candidate to support of
10	oppose the candidate's position;
1	(E) whether the position of one or more candidates on a public policy issue has
12	been raised as distinguishing these candidates from others in the campaign, either in the
13	communication itself or in other public communications;
14	(F) whether the communication is part of an ongoing series of substantially
15	similar advocacy communications by the organization on the same issue; and
16	(G) any other factors the Executive Director deems relevant.
17	(4) Within one business day of determining that an expenditure ceiling must be lifted
18	pursuant to this Section 1.133, the Executive Director shall inform every candidate for that office that
19	the Ethics Commission has lifted the applicable expenditure ceiling. The Executive Director shall also
20	post a notice on the Ethics Commission's website. If an objection made pursuant to subsection (c)(5) of
21	this Section 1.133 delays or prevents a determination from becoming final, the Executive Director shall
22	send subsequent notices regarding the objection and final determination.
23	(5) Objections.
24	(A) Within one business day of the date that the Executive Director makes a
25	determination under this subsection (c), any candidate in the race may object to the Executive

1	Director's determination. The Executive Director shall respond to any objection within one business
2	day of receiving the objection.
3	(B) Within one business day of the Executive Director's response, the candidate
4	who objected to the determination may submit to the Executive Director a request that the Ethics
5	Commission review the Executive Director's determination. Within one business day of receiving the
6	request, the Executive Director shall notify the Chair of the Commission of the request.
7	If, within one business day of the Executive Director's notice, the Chair informs
8	the Executive Director that they are requesting the Commission review the determination, the Executive
9	Director shall schedule a meeting of the Commission on a date that occurs within two weeks of the
10	Chair's request. If the Commission overrules the Executive Director's determination, the Commission
11	shall make a final determination based on the factors set forth above.
12	(C) The Executive Director's determination shall become final if:
13	(i) no candidate objects to the Executive Director's determination;
14	(ii) an objection is made, and the candidate does not request a review of
15	the Executive Director's determination by the Commission;
16	(iii) a request is made, and the Chair does not request the Commission
17	review the determination; or
18	(iv) the Commission does not overrule the Executive Director's
19	determination.
20	
21	SEC. 1.134. LIFTING OF VOLUNTARY EXPENDITURE CEILINGS; SUPPLEMENTAL
22	REPORTING IN ELECTIONS FOR ASSESSOR, PUBLIC DEFENDER, CITY ATTORNEY,
23	DISTRICT ATTORNEY, TREASURER, SHERIFF, THE BOARD OF EDUCATION OF THE SAN
24	FRANCISCO UNIFIED SCHOOL DISTRICT, OR THE GOVERNING BOARD OF THE SAN
25	FRANCISCO COMMUNITY COLLEGE DISTRICT.

1	This Section shall apply only if at least one candidate for the City elective office has accepted			
2	the applicable voluntary expenditure ceiling, and the Ethics Commission has not lifted that voluntary			
3	expenditure ceiling. This Section applies only to candidates for Assessor, Public Defender, City			
4	Attorney, District Attorney, Treasurer, Sheriff, the Board of Education of the San Francisco Unified			
5	School District, or the Governing Board of the San Francisco Community College District.			
6	(a) The voluntary expenditure ceiling shall no longer be binding on a candidate:			
7	(1) If a candidate seeking election to the same City elective office, who has declined to			
8	accept the voluntary expenditure ceiling, receives contributions or makes qualified campaign			
9	expenditures in excess of 100 percent of the applicable voluntary expenditure ceiling,			
10	(2) If a person or persons make expenditures or payments, or incur expenses for the			
11	purpose of making independent expenditures, electioneering communications or member			
12	communications that total more than 100 percent of the applicable voluntary expenditure ceiling, and			
13	those expenditures or communications clearly identify a candidate seeking election to the same City			
14	elective office, or			
15	(3) If a candidate seeking election to the same City elective office, who has accepted the			
16	voluntary expenditure ceiling, makes qualified campaign expenditures in excess of 100 percent of the			
17	voluntary expenditure ceiling.			
18	(b) Any candidate committee that receives contributions, makes qualified campaign			
19	expenditures, incurs expenses or has funds in its Campaign Contribution Trust Account that total more			
20	than 100 percent of the applicable voluntary expenditure ceiling shall, within 24 hours of exceeding			
21	100 percent of the applicable voluntary expenditure ceiling, file a statement with the Ethics			
22	Commission, on forms to be provided by the Ethics Commission, stating that fact and any additional			
23	information required by the Ethics Commission.			
24	(c) The Executive Director shall promptly review statements filed pursuant to state and local			
25	law, including California Government Code section 84204 and Sections 1.161, 1.162, and 1.163 of this			

1 Chapter, to determine whether a communication supports or opposes one or more candidates. 2 (d) Within one business day after determining that the threshold listed in subsection (a) has 3 been met with respect to an office appearing on the ballot, the Executive Director shall inform every candidate for that office that the Ethics Commission has lifted the applicable voluntary expenditure 4 5 ceiling. The Executive Director shall also post a notice on the Ethics Commission's website and send 6 written notice by e-mail to any other person who has requested such notice. 7 8 SEC. 1.140. ELIGIBILITY TO RECEIVE PUBLIC FINANCING. 9 (a) REQUIREMENTS FOR ALL CANDIDATES. To be eligible to receive public 10 financing of campaign expenses under this Chapter, a candidate must: (1) Have filed a statement indicating that he or she intends they intend to 11 12 participate in the public financing program under Section 1.142 of this Chapter. 13 (2) Agree to the following conditions: (A) The candidate bears the burden of providing that each contribution 14 15 the candidate relies upon to establish eligibility is a qualifying contribution; (B) The candidate bears the burden of proving that expenditures made 16 with public funds provided under this Chapter comply with Section 1.148 of this Chapter; 17 18 (C) The candidate will not make any payments to a contractor or vendor in return for the contractor or vendor making a campaign contribution to the candidate or 19 20 make more than a total of 50 payments, other than the return of a contribution, to contractors 21 or vendor that have made contributions to the candidate; (D) Notwithstanding Sections 1.114 and 1.116, the candidate shall not 22

loan or donate, in total, more than \$5,000 of his or her their own money to the campaign;

with the exception of a candidate's loan to his or her their own campaign as permitted by this

(E) The candidate shall not accept any loans to his or her their campaign

23

24

Section; and

- (F) The candidate shall agree to participate in at least three debates with the candidate's opponents.
  - (3) Have paid any outstanding late fines or penalties, owed to the City by the candidate or any of the candidate's previous campaign committees, which were imposed for violations of this Code or the campaign finance provisions of the California Political Reform Act (Government Code Sections 84100-85704), provided that the Ethics Commission had notified the candidate of such fines or penalties by the time of certification.
  - (4) Have filed any outstanding forms, owed to the City by the candidate or any of the candidate's previous campaign committees, which were required to be filed pursuant to this Code or the campaign finance provisions of the Political Reform Act (Government Code Sections 84100-85704), provided that the Ethics Commission had notified the candidate of such outstanding forms by the time of certification.
  - (5) Have no finding by a court or by the Ethics Commission after a hearing on the merits, within the prior five years, that the candidate knowingly, willfully, or intentionally violated any Section of this Code or the campaign finance provisions of this California Political Reform Act (Government Code Sections 84100-85704). For purposes of this Section, a plea of *nolo contendere* constitutes a finding by a court of a willful violation.
  - (b) ADDITIONAL REQUIREMENTS FOR CANDIDATES FOR THE BOARD OF SUPERVISORS. To be eligible to receive public financing of campaign expenses under this Chapter, a candidate for the Board of Supervisors must:
  - (1) Be seeking election to the Board of Supervisors and be eligible to hold the office sought;
  - (2) Have a candidate committee that has received at least \$10,000 in qualifying contributions from at least 100 contributors by the 70th day before the election; or, if the

- candidate is an incumbent member of the Board of Supervisors, have a candidate committee that has received at least \$15,000 in qualifying contributions from at least 150 contributors by the 70th day before the election;
  - (3) Be opposed by another candidate who has either established eligibility to receive public financing, or whose candidate committee has received contributions or made expenditures which in the aggregate equal or exceed \$10,000; and
  - (4) Agree that *his or her their* candidate committee will not make qualified campaign expenditures that total more than the *candidate's Individual Expenditure Ceiling of* \$350,000, or as adjusted under Section 1.143 of this Chapter applicable expenditure ceiling specified in Section 1.131, unless the expenditure ceiling has been lifted as specified in Section 1.133.
  - (c) ADDITIONAL REQUIREMENTS FOR CANDIDATES FOR MAYOR. To be eligible to receive public financing of campaign expenses under this Chapter, a candidate for Mayor must:
  - (1) Be seeking election to the office of Mayor and be eligible to hold the office sought;
  - (2) Have a candidate committee that has received at least \$50,000 in qualifying contributions from at least 500 contributors by the 70th day before the election; or, if the candidate is the incumbent Mayor, have a candidate committee that has received at least \$75,000 in qualifying contributions from at least 750 contributors by the 70th day before the election;
  - (3) Be opposed by another candidate who has either established eligibility to receive public financing, or whose candidate committee has received contributions or made expenditures that in the aggregate equal or exceed \$50,000; and
  - (4) Agree that *his or her their* candidate committee will not make qualified campaign expenditures that total more than the *candidate's Individual Expenditure Ceiling of*

1	\$1,/00,000, or as adjusted under Section 1.143 of this Chapter applicable expenditure ceiling specified
2	in Section 1.131, unless the expenditure ceiling has been lifted as specified in Section 1.133.
3	(d) ADJUSTMENT OF EXPENDITURE LIMITS AND THRESHOLDS. The Ethics
4	Commission is authorized to adjust:
5	(1) The figures in Subsections (b)(4) and (c)(4) to reflect changes in the California
6	Consumer Price Index, provided that such adjustments shall be rounded off to the nearest \$1,000 for
7	candidates for the Board of Supervisors and the nearest \$5,000 for candidates for Mayor;
8	(21) The figure in Subsection (a)(2)(D) of this Section $1.140$ to reflect changes in
9	the California Consumer Price Index, provided that such adjustments shall be rounded off to
10	the nearest \$1,000;
11	(32) The figures in Subsections (b)(2) and (b)(3) of this Section $1.140$ to reflect
12	changes in the California Consumer Price Index, provided that such adjustments shall be
13	rounded off to the nearest \$500;
14	(43) The figures in Subsections (c)(2) and (c)(3) of this Section $1.140$ to reflect
15	changes in the California Consumer Price Index, provided that such adjustments shall be
16	rounded off to the nearest \$5,000; and
17	(54) The maximum amount of a contribution that constitutes a qualifying
18	contribution pursuant to Section 1.104 to reflect changes in the California Consumer Price
19	Index, provided that such adjustments shall be rounded off to the nearest \$10.
20	
21	SEC. 1.142. PROCESS FOR ESTABLISHING ELIGIBILITY; CERTIFICATION BY
22	THE ETHICS COMMISSION.
23	* * *
24	(d) DETERMINATION OF OPPOSITION. To determine whether a candidate for the
25	Board of Supervisors is opposed as required under Section 1.140(b)(3) of this Chapter or a

candidate for Mayor is opposed as required under Section 1.140(c)(3) of this Chapter 1, the Executive Director shall review the material filed pursuant to Section 1.152 1.133 of this Chapter, and may review any other material.

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

\* \* \* \*

#### SEC. 1.143. ADJUSTING INDIVIDUAL EXPENDITURE CEILINGS.

This Section 1.143 shall apply only if the Ethics Commission has certified that at least one candidate for Mayor or the Board of Supervisors is eligible to receive public funds under this Chapter 1.

(a) The Executive Director shall adjust the Individual Expenditure Ceiling of a candidate for Mayor by \$250,000 when the sum of the Total Opposition Spending against that candidate and the highest level of the Total Supportive Funds of any other candidate for Mayor is greater than \$1,700,000 by any amount. Thereafter, the Executive Director shall further adjust a candidate's Individual Expenditure Ceiling in increments of \$250,000, whenever the sum of the Total Opposition Spending against that candidate and the highest level of the Total Supportive Funds of any other

1	candidate for Mayor is greater than the candidate's current Individual Expenditure Ceiling by any		
2	amount.		
3	(b) The Executive Director shall adjust the Individual Expenditure Ceiling of a candidate for		
4	the Board of Supervisors by \$50,000 when the sum of the Total Opposition Spending against that		
5	candidate and the highest level of the Total Supportive Funds of any other candidate for the same office		
6	on the Board of Supervisors is greater than \$350,000 by any amount. Thereafter, the Executive		
7	Director shall further adjust a candidate's Individual Expenditure Ceiling in increments of \$50,000,		
8	whenever the sum of the Total Opposition Spending against that candidate and the highest level of the		
9	Total Supportive Funds of any other candidate for the same office is greater than the candidate's		
10	current Individual Expenditure Ceiling by any amount.		
11	(c) The Executive Director shall promptly review statements filed pursuant to state and local		
12	law, including Government Code section 84204 and Sections 1.161, 1.162, and 1.163 of this Chapter 1,		
13	to determine whether a communication supports or opposes one or more candidates.		
14	Factors the Executive Director shall use to determine whether the communication supports or		
15	opposes one or more candidates include the following:		
16	(1) whether the communication clearly identifies one or more candidates;		
17	(2) the timing of the communication;		
18	(3) the voters targeted by the communication;		
19	(4) whether the communication identifies any candidate's position on a public policy		
20	issue and urges the reader or viewer to take action, including calling the candidate to support or		
21	oppose the candidate's position;		
22	(5) whether the position of one or more candidates on a public policy issue has been		
23	raised as distinguishing these candidates from others in the campaign, either in the communication		
24	itself or in other public communications;		
25	(6) whether the communication is part of an ongoing series of substantially similar		

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(7) any other factors the Executive Director deems relevant.

(d) Within one business day of the date that the Executive Director makes a determination under subsection (c), either the candidate(s) identified in the communication or any candidate seeking the same City elective office as the candidate identified in the communication may object to the Executive Director's determination. The Executive Director shall respond to any objection within one business day of receiving the objection.

(e) Within one business day of the Executive Director's response, either the candidate(s) identified in the communication or any candidate seeking the same City elective office as the candidate identified in the communication may submit to the Executive Director a request that the Ethics Commission review the Executive Director's determination. Within one business day of receiving the request, the Executive Director shall notify each Commissioner of the candidate's request.

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

(f) If no candidate objects to the Executive Director's determination, if no candidate requests review by the Commission of the Executive Director's determination, if a request is made and two or more members of the Commission do not request to review the determination, or within one week of two members of the Commission requesting to review the Executive Director's determination, at least three members of the Commission do not vote to overrule the Executive Director's determination, the Executive Director's determination shall become final.

The Executive Director shall determine whether to adjust the Individual Expenditure Ceilings of

each candidate for Mayor or the Board of Supervisors pursuant to either subsection (a) or (b) within one business day of a final determination.

# SEC. 1.152. SUPPLEMENTAL REPORTING IN ELECTIONS FOR BOARD OF SUPERVISORS AND MAYOR.

## (a) ELECTIONS FOR THE BOARD OF SUPERVISORS.

(1) In addition to the campaign disclosure requirements imposed by the California Political Reform Act and other provisions of this Chapter, each candidate committee supporting a candidate for the Board of Supervisors shall file a statement with the Ethics Commission indicating when the committee has received contributions to be deposited into its Campaign Contribution Trust Account or made expenditures that equal or exceed \$10,000 within 24 hours of reaching or exceeding that amount.

(2) In addition to the supplemental report in subsection (a)(1) of this Section, each candidate committee supporting a candidate for the Board of Supervisors shall file a statement with the Ethics Commission disclosing when the committee has received contributions to be deposited into its Campaign Contribution Trust Account or made expenditures that in the aggregate-equal or exceed \$100,000. The candidate committee shall file this report within 24 hours of reaching or exceeding the threshold. Thereafter, the candidate committee shall file an additional supplemental report within 24 hours of every time the candidate committee receives additional contributions to be deposited into its Campaign Contribution Trust Account or makes additional expenditures that in the aggregate equal or exceed \$10,000.

(3) The Executive Director shall post the information disclosed on statements required by this subsection on the website of the Ethics Commission within two business days of the statement's filing.

(b) ELECTIONS FOR MAYOR.

(1) In addition to the campaign disclosure requirements imposed by the California
Political Reform Act and other provisions of this Chapter, each candidate committee supporting a
candidate for Mayor shall file a statement with the Ethics Commission indicating when the candidate
committee has received contributions to be deposited into its Campaign Contribution Trust Account or
made expenditures that equal or exceed \$50,000 within 24 hours of reaching or exceeding that amount.
(2) Le reddition to the recombon outel con out in Calor action (b)(1) of this Continue and

(2) In addition to the supplemental report in Subsection (b)(1) of this Section, each candidate committee supporting a candidate for Mayor shall file a statement with the Ethics Commission disclosing when the candidate committee has received contributions to be deposited into its Campaign Contribution Trust Account or made expenditures that in the aggregate equal or exceed \$1,000,000. The candidate committee shall file this report within 24 hours of reaching or exceeding the threshold. Thereafter, the candidate committee shall file an additional supplemental report within 24 hours of every time the candidate committee receives additional contributions or makes additional expenditures that in the aggregate equal or exceed \$50,000.

(3) The Executive Director shall post the information disclosed on statements required by this subsection on the website of the Ethics Commission within two business days of the statement's filing.

(c) The supplemental statements required by Subsections (a)(2) and (b)(2) are not required until the Ethics Commission has certified that at least one candidate is eligible to receive public funds under this Chapter, provided that within two business days of the date that the Ethics Commission provides notice under this subsection that it has certified that a candidate is eligible to receive public funds under this Chapter, any report that previously would have been required under (a)(2) and (b)(2) must be filed. Within two business days of certifying that at least one candidate is eligible to receive public financing under this Chapter, the Ethics Commission shall post a notice on its website, send out a press release and send written notice by regular or electronic mail to all other candidates running for the same City elective office and to any other person who has requested such notice.

# 1 SEC. 1.161. CAMPAIGN ADVERTISEMENTS. 2 (a) DISCLAIMERS. In addition to complying with the disclaimer requirements set forth 3 in Chapter 4 of the California Political Reform Act, California Government Code sections 84100 et seq., and its enabling regulations, all committees making expenditures which 4 support or oppose any candidate for City elective office or any City measure shall also comply 5 with the following additional requirements: 6 7 8 (2) WEBSITE REFERRAL. Each disclaimer required by the Political Reform 9 Act or its enabling regulations and by this Section 1.161 shall be followed in the same 10 required format, size, and speed by the following phrase: "Financial disclosures are available at sfethics.org/website address designated by the Ethics Commission." A substantially similar 11 12 statement that specifies the web site may be used as an alternative in audio communications. 13 (4) CANDIDATE ADVERTISEMENTS. Advertisements by candidate 14 committees shall include the following disclaimer statements: "Paid for by \_\_\_\_\_ (insert 15 16 the name of the candidate committee)." and "Financial disclosures are available at sfethics.org[website address designated by the Ethics Commission]." Except as provided in 17 18 subsections (a)(3) and (a)(5), the statements' format, size, and speed shall comply with the disclaimer requirements for independent expenditures for or against a candidate set forth in 19 20 the Political Reform Act and its enabling regulations. 21 22

SEC. 1.162. ELECTIONEERING COMMUNICATIONS.

(1) Every electioneering communication for which a statement is filed pursuant

(a) DISCLAIMERS.

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to subsection (b) shall include the following disclaimer: "Paid for by \_\_\_\_\_ (insert the name of the person who paid for the communication)." and "Financial disclosures are available at \*sfethics.org\*[website address designated by the Ethics Commission]."

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## SEC. 1.170. PENALTIES.

- (a) CRIMINAL. Any person who knowingly or willfully violates any provision of this Chapter-*I* shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than \$5,000 for each violation or by imprisonment in the County jail for a period of not more than six months or by both such fine and imprisonment; provided, however, that any willful or knowing failure to report contributions or expenditures done with intent to mislead or deceive or any willful or knowing violation of the provisions of Sections 1.114, 1.126, or 1.127 of this Chapter I shall be punishable by a fine of not less than \$5,000 for each violation or three times the amount not reported or the amount received in excess of the amount allowable pursuant to Sections 1.114, 1.126, or 1.127 of this Chapter I, or three times the amount expended in excess of the amount allowable pursuant to Section 1.130 or 1.140, whichever is greater.
- (b) CIVIL. Any person who intentionally or negligently violates any of the provisions of this Chapter—I shall be liable in a civil action brought by the City Attorney for an amount up to \$5,000 for each violation or three times the amount not reported or the amount received in excess of the amount allowable pursuant to Sections 1.114, 1.126, or 1.127 or three times the amount expended in excess of the amount allowable pursuant to Section 1.1301.131 or 1.140, whichever is greater. In determining the amount of liability, the court may take into account the seriousness of the violation, the degree of culpability of the defendant, and the ability of the defendant to pay.

1 \*\*\*\*

# (i) EFFECT OF VIOLATION ON CANDIDACY.

- (1) If a candidate is convicted, in a court of law, of a violation of this Chapter at any time prior to his or her election, his or her candidacy shall be terminated immediately and he or she shall be no longer eligible for election, unless the court at the time of sentencing specifically determines that this provision shall not be applicable. No person convicted of a misdemeanor under this Chapter after his or her election shall be a candidate for any other City elective office for a period of five years following the date of the conviction unless the court shall at the time of sentencing specifically determine that this provision shall not be applicable.
- (2) If a candidate for the Board of Supervisors certified as eligible for public financing is found by a court to have exceeded the Individual Expenditure Ceiling in this Chapter by *ten percent* 10% or more at any time prior to his or her election, such violation shall constitute official misconduct. The Mayor may suspend any member of the Board of Supervisors for such a violation, and seek removal of the candidate from office following the procedures set forth in Charter Section 15.105(a).
- (3) A plea of nolo contendere, in a court of law, shall be deemed a conviction for purposes of this Section *1.170*.

Section 2. Prerequisites for Enactment; Super-Majority Vote Requirement. The enactment of Section 1 of this ordinance is subject to provisions of the Campaign and Governmental Conduct Code that require the amendments to be approved by the Ethics Commission by a supermajority vote of at least four members of the Commission, and

approved by a supermajority vote of at least eight members of the Board of Supervisors.

Section 3. Effective Date. This ordinance shall become effective 30 days after
enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
of Supervisors overrides the Mayor's veto of the ordinance.

Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

Section 5. Severability. If any section, subsection, sentence, clause, phrase, or word of this ordinance, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of the ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and each and every section, subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this ordinance or application thereof would be subsequently declared invalid or unconstitutional.

APPROVED AS TO FORM: DAVID CHIU, City Attorney

By: <u>/s/ Kathleen Vermazen Radez</u>
Kathleen Vermazen Radez
Deputy City Attorney

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FILE NO.	250868	ORDINANCE NO.
FILE NO.	. 200000	UNDINANCE NO.

Ceilings and Reporting Requirements, and Campaign Contribution Limits] 2 3 Ordinance amending the Campaign and Governmental Conduct Code to modify the 4 public financing program for candidates for the Mayor and the Board of Supervisors by replacing the current process of continuous adjustments of individual expenditure 5 6 ceilings to a "one-and-done" approach in which the ceiling is removed for all 7 candidates within the race once certain spending reaches a specified amount, and adjusting reporting requirements; raise the campaign contribution limit from \$500 to 8 9 \$1,000 and authorize the Ethics Commission to adjust the contribution limit going forward for changes in the Consumer Price Index; and allow the Ethics Commission to 10 designate the website to be used in campaign advertisement disclaimers. 11 12 NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in single-underline italics Times New Roman font. 13 Deletions to Codes are in strikethrough italics Times New Roman font. Board amendment additions are in double-underlined Arial font. 14 Board amendment deletions are in strikethrough Arial font. Asterisks (\* \* \* \*) indicate the omission of unchanged Code 15 subsections or parts of tables. 16 Be it ordained by the People of the City and County of San Francisco: 17 18 19 Section 1. Article I, Chapter 1 of the Campaign and Governmental Conduct Code is 20 hereby amended by revising Sections 1.104, 1.114, 1.116, 1.140, 1.142, 1.161, 1.162, and

[Campaign and Governmental Conduct Code - Campaign Public Financing Expenditure

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## SEC. 1.104. DEFINITIONS.

and 1.152, to read as follows:

Whenever in this Chapter 1 the following words or phrases are used, they shall mean:

1.170, adding Sections 1.129, 1.131, and 1.133, deleting Sections 1.128, 1.130, 1.134, 1.143,

Ethics Commission
BOARD OF SUPERVISORS

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"Individual Expenditure Ceiling" shall mean the expenditure ceiling established for each individual candidate for Mayor or the Board of Supervisors whom the Ethics Commission has certified as eligible to receive public funds under this Chapter.

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

"Total Supportive Funds" shall mean the sum of all contributions received by a candidate committee supporting a candidate for Mayor or the Board of Supervisors, other than any funds that exceed the candidate's Individual Expenditure Ceiling, plus the expenditures made or expenses incurred by any person or persons for the purpose of making independent expenditures, electioneering communications or member communications in support of that same candidate.

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# SEC. 1.114. CONTRIBUTIONS - LIMITS AND PROHIBITIONS.

(a) LIMITS ON CONTRIBUTIONS TO CANDIDATES. No person other than a candidate shall make, and no campaign treasurer for a candidate committee shall solicit or accept, any contribution which will cause the total amount contributed by such person to such candidate committee in an election to exceed \$500\$\(\frac{\$500}{\$1,000}\). The Ethics Commission is authorized to adjust this figure to reflect changes in the California Consumer Price Index, provided that such adjustments shall be rounded off to the nearest \$100.

(d) PROHIBITION ON CONTRIBUTIONS FOR OFFICIAL ACTION. No candidate

\* \* \* \*

may, directly or by means of an agent, give, offer, promise to give, withhold, or offer or promise to withhold *his or her-their* vote or influence, or promise to take or refrain from taking official action with respect to any proposed or pending matter in consideration of, or upon condition that, any other person make or refrain from making a contribution.

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## SEC. 1.116. LIMITS ON LOANS TO CANDIDATES.

- (a) A candidate's loan of personal funds to the candidate's campaign may not exceed at any time more than:
- (1) \$15,000.0027,000 for a candidate for the Board of Supervisors, Board of Education of the San Francisco Unified School District or the Governing Board of the San Francisco Community College District,
  - (2) \$120,000.00213,000 for a candidate for Mayor, or
- (3) \$35,000.0062,000 for a candidate for Assessor or Public Defender, City Attorney, Treasurer, District Attorney or Sheriff.
- (b) A candidate may not charge interest on any loan the candidate has made to the candidate's campaign.
- (c) In addition to any other penalty, loans made by a candidate to the candidate's campaign in excess of the amounts in Subsection (a) shall be deemed a contribution to the campaign and may not be repaid to the candidate.
- (d) Whenever the Ethics Commission adjusts the *voluntary* expenditure ceilings to reflect changes in the California Consumer Price Index, as authorized under Section 1.130
  1.131, the Commission is authorized to adjust the loan amounts in this Section 1.116 to reflect changes in the Consumer Price Index, provided that such adjustments shall be rounded off to the nearest \$1,000.

# SEC. 1.128. ACCEPTANCE OR REJECTION OF VOLUNTARY EXPENDITURE CEILINGS.

(a) Candidates for Assessor, City Attorney, District Attorney, Public Defender, Sheriff,
Treasurer, the Board of Education of the San Francisco Unified School District or the Governing
Board of the San Francisco Community College District may accept the applicable voluntary
expenditure ceiling. Candidates for the Board of Supervisors or Mayor may not accept a voluntary
expenditure ceiling.

(b) To accept the applicable voluntary expenditure ceiling, a candidate must file a statement with the Ethics Commission accepting the applicable voluntary expenditure ceiling. The candidate shall file this statement no later than the deadline for filing nomination papers with the Department of Elections. A candidate may not withdraw the statement accepting the voluntary expenditure ceiling after filing the statement. A candidate may not file the statement accepting the applicable voluntary expenditure ceiling if the Ethics Commission has lifted the voluntary expenditure ceiling under Section 1.134 of this Chapter.

(c) The Ethics Commission shall maintain, on its website, a list of the candidates who have accepted the voluntary expenditure ceiling. If the Ethics Commission has lifted a voluntary expenditure ceiling for a particular race under Section 1.134 of this Chapter, the Ethics Commission shall instead maintain a list of the candidates who have accepted, but are no longer subject to the voluntary expenditure ceiling in that race.

(d) A candidate who has accepted the applicable voluntary expenditure ceiling and makes qualified campaign expenditures in excess of the voluntary expenditure ceiling, at a time when the Ethics Commission has not lifted the applicable voluntary expenditure ceiling, is subject to the penalties in Section 1.170 for violation of this Chapter.

1	SEC. 1.129. EXPENDITURE CEILINGS.
2	(a) Required Expenditure Ceilings for Public Financing.
3	(1) To be eligible to receive public financing of campaign expenses under this Chapter,
4	candidates for the Board of Supervisors or Mayor must agree that their candidate committee will not
5	make qualified campaign expenditures that total more than the applicable expenditure ceiling specified
6	in Section 1.131, unless the expenditure ceiling has been lifted as specified in Section 1.133.
7	(2) A candidate shall indicate their tentative acceptance of the expenditure ceiling by
8	filing their statement of participation with the Ethics Commission as required by Section 1.140.
9	(3) The expenditure ceiling shall apply to a candidate if the Executive Director has
10	certified the candidate is eligible to receive public financing under Section 1.142.
11	(4) The Ethics Commission shall maintain, on its website, a list of the candidates who
12	are subject to the expenditure ceiling. If the Ethics Commission has lifted the expenditure ceiling for a
13	particular race under Section 1.133, the Ethics Commission shall instead maintain a list of the
14	candidates who have accepted public financing, but are no longer subject to the expenditure ceiling in
15	that race.
16	(5) A candidate who is subject to the expenditure ceiling and makes qualified campaign
17	expenditures in excess of the applicable expenditure ceiling, at a time when the Ethics Commission has
18	not lifted the expenditure ceiling, is subject to the penalties in Section 1.170 for violation of this
19	Chapter.
20	(b) Voluntary Expenditure Ceilings.
21	(1) Candidates for Assessor-Recorder, City Attorney, District Attorney, Public
22	Defender, Sheriff, Treasurer, the Board of Education of the San Francisco Unified School District, or
23	the Governing Board of the San Francisco Community College District may accept the applicable
24	voluntary expenditure ceiling specified in Section 1.131, unless the expenditure ceiling has been lifted
25	as specified in Section 1.133. Candidates for the Board of Supervisors or Mayor may not accept a

voluntary expenditure ceiling.	<u>voluntar</u>	y expe	nditure	ceiling.
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(2) To accept the applicable voluntary expenditure ceiling, a candidate must file a statement with the Ethics Commission accepting the applicable voluntary expenditure ceiling. The candidate shall file this statement no later than the deadline for filing nomination papers with the Department of Elections. A candidate may not withdraw the statement accepting the voluntary expenditure ceiling after filing the statement. A candidate may not file the statement accepting the applicable voluntary expenditure ceiling if the Ethics Commission has lifted the voluntary expenditure ceiling under Section 1.333.

(3) The Ethics Commission shall maintain, on its website, a list of the candidates who have accepted the voluntary expenditure ceiling. If the Ethics Commission has lifted a voluntary expenditure ceiling for a particular race under Section 1.133, the Ethics Commission shall instead maintain a list of the candidates who have accepted, but are no longer subject to, the voluntary expenditure ceiling in that race.

(4) A candidate who has accepted the applicable voluntary expenditure ceiling and makes qualified campaign expenditures in excess of the voluntary expenditure ceiling, at a time when the Ethics Commission has not lifted the applicable voluntary expenditure ceiling, is subject to the penalties in Section 1.170 for violation of this Chapter.

## SEC. 1.130. AMOUNT OF VOLUNTARY EXPENDITURE CEILINGS.

(a) Any candidate for Assessor, Public Defender, City Attorney, District Attorney, Treasurer, or Sheriff who agrees to accept voluntary expenditure ceilings shall not make total qualified campaign expenditures exceeding \$243,000, unless the Ethics Commission has lifted the voluntary expenditure ceiling pursuant to Section 1.134 of this Chapter.

(b) Any candidate for the Board of Education of the San Francisco Unified School District or the Governing Board of the San Francisco Community College District who agrees to accept voluntary

$expenditure\ ceilings\ shall\ not\ make\ total\ qualified\ campaign\ expenditures\ exceeding\ \$104,000,\ unless$
the Ethics Commission has lifted the voluntary expenditure ceiling pursuant to Section 1.134 of this
Chapter.
(c) The Ethics Commission is authorized to adjust annually by regulation the voluntary
expenditure ceilings imposed by this Section to reflect the change in the California Consumer Price
Index for that year, provided that such adjustments shall be rounded off to the nearest \$1,000.
SEC. 1.131. AMOUNT OF EXPENDITURE CEILINGS.
(a) Any candidate for the Board of Supervisors subject to an expenditure ceiling under Section
1.129(a) shall not make total qualified campaign expenditures exceeding \$412,000, unless the Ethics
Commission has lifted the expenditure ceiling pursuant to Section 1.133.
(b) Any candidate for Mayor subject to an expenditure ceiling under Section 1.129(a) shall not
make total qualified campaign expenditures exceeding \$2,005,000, unless the Ethics Commission has
lifted the expenditure ceiling pursuant to Section 1.133.
(c) Any candidate for Assessor-Recorder, Public Defender, City Attorney, District Attorney,
Treasurer, or Sheriff who agrees to accept a voluntary expenditure ceiling under Section 1.129(b) shall
not make total qualified campaign expenditures exceeding \$374,000, unless the Ethics Commission has
lifted the voluntary expenditure ceiling pursuant to Section 1.133.
(d) Any candidate for the Board of Education of the San Francisco Unified School District or
the Governing Board of the San Francisco Community College District who agrees to accept a
voluntary expenditure ceiling under Section 1.129(b) shall not make total qualified campaign
expenditures exceeding \$160,000, unless the Ethics Commission has lifted the voluntary expenditure
ceiling pursuant to Section 1.133.
(e) The Ethics Commission is authorized to adjust the expenditure ceilings imposed by this
Section 1.131 to reflect changes in the California Consumer Price Index, provided that such

1	adjustments shall be rounded off to the nearest \$1,000.
2	
3	SEC. 1.133. LIFTING OF EXPENDITURE CEILINGS AND SUPPLEMENTAL
4	REPORTING REQUIREMENTS.
5	(a) Lifting of Expenditure Ceilings.
6	(1) An expenditure ceiling shall no longer be binding on a candidate:
7	(A) if a candidate seeking election to the same office who is not subject to an
8	expenditure ceiling under Section 1.129(a), or who has not accepted a voluntary expenditure ceiling
9	under Section 1.129(b), receives contributions or makes qualified campaign expenditures in excess of
10	75% of the applicable expenditure ceiling:
11	(B) if a candidate seeking election to the same office, who is subject to the
12	expenditure ceiling or makes qualified campaign expenditures in excess of 100% of the applicable
13	expenditure ceiling; or
14	(C) if a person or persons makes expenditures or payments, or incurs expenses
15	for the purpose of making independent expenditures, electioneering communications, or member
16	communications, and those expenditures, payments, and expenses clearly identify a candidate seeking
17	election to the same City elective office and total more than 75% of the applicable expenditure ceiling.
18	(b) Additional Reporting Requirements.
19	(1) In addition to the campaign disclosure requirements imposed by the California
20	Political Reform Act and other provisions of this Chapter:
21	(A) Each candidate committee supporting a candidate in a race with an active
22	expenditure ceiling that receives contributions or makes qualified campaign expenditures that total
23	more than 75% of the applicable expenditure ceiling shall, within 24 hours of exceeding 75% of the
24	applicable expenditure ceiling, file a statement with the Ethics Commission, on forms to be provided by

the Ethics Commission, stating that fact and any additional information required by the Ethics

1	<u>Commission.</u>
2	(B) Each candidate committee supporting a candidate for the Board of
3	Supervisors shall file a statement with the Ethics Commission indicating when the committee has
4	received contributions to be deposited into its Campaign Contribution Trust Account or made qualified
5	campaign expenditures that equal or exceed the amount stated in Section 1.140(b)(3) within 24 hours
6	of reaching or exceeding that amount.
7	(C) Each candidate committee supporting a candidate for Mayor shall file a
8	statement with the Ethics Commission indicating when the candidate committee has received
9	contributions to be deposited into its Campaign Contribution Trust Account or made qualified
10	campaign expenditures, that equal or exceed the amount stated in Section 1.140(c)(3) within 24 hours
11	of reaching or exceeding that amount.
12	(2) The Executive Director shall post the information disclosed on statements required
13	by this subsection on the website of the Ethics Commission within two business days of the statement's
14	filing.
15	(c) Process for Lifting Expenditure Ceilings.
16	(1) The Executive Director shall promptly review statements filed pursuant to state and
17	local law, including the statement required by subsection (b)(1)(A) of this Section 1.133, and any other
18	materials the Executive Director deems relevant, to determine if an expenditure ceiling must be lifted
19	pursuant to subsection $(a)(1)(A)$ .
20	(2) The Executive Director shall promptly review statements filed pursuant to state and
21	local law, and any other materials the Executive Director deems relevant, to determine if an
22	expenditure ceiling must be lifted pursuant to subsection (a)(1)(B) of this Section 1.133.
23	(3) The Executive Director shall promptly review statements filed pursuant to state and
24	local law, including California Government Code section 84204 and Sections 1.161, 1.162, and 1.163,
25	and any other materials the Executive Director deems relevant, to determine whether a communication

1	supports or opposes one or more candidates in a race and if an expenditure ceiling must be lifted
2	pursuant to subsection (a)(1)(C) of this Section 1.133.
3	The Executive Director shall use the following factors to determine whether the communication
4	supports or opposes one or more candidates include the following:
5	(A) whether the communication clearly identifies one or more candidates;
6	(B) the timing of the communication:
7	(C) the voters targeted by the communication;
8	(D) whether the communication identifies any candidate's position on a public
9	policy issue and urges the reader or viewer to take action, including calling the candidate to support or
10	oppose the candidate's position;
11	(E) whether the position of one or more candidates on a public policy issue has
12	been raised as distinguishing these candidates from others in the campaign, either in the
13	communication itself or in other public communications;
14	(F) whether the communication is part of an ongoing series of substantially
15	similar advocacy communications by the organization on the same issue; and
16	(G) any other factors the Executive Director deems relevant.
17	(4) Within one business day of determining that an expenditure ceiling must be lifted
18	pursuant to this Section 1.133, the Executive Director shall inform every candidate for that office that
19	the Ethics Commission has lifted the applicable expenditure ceiling. The Executive Director shall also
20	post a notice on the Ethics Commission's website. If an objection made pursuant to subsection (c)(5) of
21	$this\ Section\ 1.133\ delays\ or\ prevents\ a\ determination\ from\ becoming\ final,\ the\ Executive\ Director\ shall$
22	send subsequent notices regarding the objection and final determination.
23	(5) Objections.
24	(A) Within one business day of the date that the Executive Director makes a
25	determination under this subsection (c), any candidate in the race may object to the Executive

1	<u>Director's determination</u> . The Executive Director shall respond to any objection within one business
2	day of receiving the objection.
3	(B) Within one business day of the Executive Director's response, the candidate
4	who objected to the determination may submit to the Executive Director a request that the Ethics
5	Commission review the Executive Director's determination. Within one business day of receiving the
6	request, the Executive Director shall notify the Chair of the Commission of the request.
7	If, within one business day of the Executive Director's notice, the Chair informs
8	the Executive Director that they are requesting the Commission review the determination, the Executive
9	Director shall schedule a meeting of the Commission on a date that occurs within two weeks of the
10	Chair's request. If the Commission overrules the Executive Director's determination, the Commission
11	shall make a final determination based on the factors set forth above.
12	(C) The Executive Director's determination shall become final if:
13	(i) no candidate objects to the Executive Director's determination;
14	(ii) an objection is made, and the candidate does not request a review of
15	the Executive Director's determination by the Commission;
16	(iii) a request is made, and the Chair does not request the Commission
17	review the determination; or
18	(iv) the Commission does not overrule the Executive Director's
19	determination.
20	
21	SEC. 1.134. LIFTING OF VOLUNTARY EXPENDITURE CEILINGS; SUPPLEMENTAL
22	REPORTING IN ELECTIONS FOR ASSESSOR, PUBLIC DEFENDER, CITY ATTORNEY,
23	DISTRICT ATTORNEY, TREASURER, SHERIFF, THE BOARD OF EDUCATION OF THE SAM
24	FRANCISCO UNIFIED SCHOOL DISTRICT, OR THE GOVERNING BOARD OF THE SAN
25	FRANCISCO COMMUNITY COLLEGE DISTRICT.

This section shall apply only if at least one canadate for the city electric system as accepted
the applicable voluntary expenditure ceiling, and the Ethics Commission has not lifted that voluntary
expenditure ceiling. This Section applies only to candidates for Assessor, Public Defender, City
Attorney, District Attorney, Treasurer, Sheriff, the Board of Education of the San Francisco Unified
School District, or the Governing Board of the San Francisco Community College District.
(a) The voluntary expenditure ceiling shall no longer be binding on a candidate:
(1) If a candidate seeking election to the same City elective office, who has declined to
accept the voluntary expenditure ceiling, receives contributions or makes qualified campaign
expenditures in excess of 100 percent of the applicable voluntary expenditure ceiling,
(2) If a person or persons make expenditures or payments, or incur expenses for the
purpose of making independent expenditures, electioneering communications or member
communications that total more than 100 percent of the applicable voluntary expenditure ceiling, and
those expenditures or communications clearly identify a candidate seeking election to the same City
elective office, or
(3) If a candidate seeking election to the same City elective office, who has accepted the
voluntary expenditure ceiling, makes qualified campaign expenditures in excess of 100 percent of the
voluntary expenditure ceiling.
(b) Any candidate committee that receives contributions, makes qualified campaign
expenditures, incurs expenses or has funds in its Campaign Contribution Trust Account that total more
than 100 percent of the applicable voluntary expenditure ceiling shall, within 24 hours of exceeding
100 percent of the applicable voluntary expenditure ceiling, file a statement with the Ethics
Commission, on forms to be provided by the Ethics Commission, stating that fact and any additional
information required by the Ethics Commission.
(c) The Executive Director shall promptly review statements filed pursuant to state and local

law, including California Government Code section 84204 and Sections 1.161, 1.162, and 1.163 of this

Chapter, to determine whether a communication supports or opposes one or more candidates.
(d) Within one business day after determining that the threshold listed in subsection (a) has
been met with respect to an office appearing on the ballot, the Executive Director shall inform every
candidate for that office that the Ethics Commission has lifted the applicable voluntary expenditure
ceiling. The Executive Director shall also post a notice on the Ethics Commission's website and send
written notice by e-mail to any other person who has requested such notice.
SEC. 1.140. ELIGIBILITY TO RECEIVE PUBLIC FINANCING.
(a) REQUIREMENTS FOR ALL CANDIDATES. To be eligible to receive public
financing of campaign expenses under this Chapter, a candidate must:
(1) Have filed a statement indicating that he or she intends they intend to
participate in the public financing program under Section 1.142-of this Chapter.
(2) Agree to the following conditions:
(A) The candidate bears the burden of providing that each contribution
the candidate relies upon to establish eligibility is a qualifying contribution;
(B) The candidate bears the burden of proving that expenditures made
with public funds provided under this Chapter comply with Section 1.148 of this Chapter;
(C) The candidate will not make any payments to a contractor or vendor
in return for the contractor or vendor making a campaign contribution to the candidate or
make more than a total of 50 payments, other than the return of a contribution, to contractors
or vendor that have made contributions to the candidate;
(D) Notwithstanding Sections 1.114 and 1.116, the candidate shall not
loan or donate, in total, more than \$5,000 of his or her their own money to the campaign;
(E) The candidate shall not accept any loans to his or her their campaign

with the exception of a candidate's loan to his or her their own campaign as permitted by this

- (3) Have paid any outstanding late fines or penalties, owed to the City by the candidate or any of the candidate's previous campaign committees, which were imposed for violations of this Code or the campaign finance provisions of the California Political Reform Act (Government Code Sections 84100-85704), provided that the Ethics Commission had notified the candidate of such fines or penalties by the time of certification.
- (4) Have filed any outstanding forms, owed to the City by the candidate or any of the candidate's previous campaign committees, which were required to be filed pursuant to this Code or the campaign finance provisions of the Political Reform Act (Government Code Sections 84100-85704), provided that the Ethics Commission had notified the candidate of such outstanding forms by the time of certification.
- (5) Have no finding by a court or by the Ethics Commission after a hearing on the merits, within the prior five years, that the candidate knowingly, willfully, or intentionally violated any Section of this Code or the campaign finance provisions of this California Political Reform Act (Government Code Sections 84100-85704). For purposes of this Section, a plea of *nolo contendere* constitutes a finding by a court of a willful violation.
- (b) ADDITIONAL REQUIREMENTS FOR CANDIDATES FOR THE BOARD OF SUPERVISORS. To be eligible to receive public financing of campaign expenses under this Chapter, a candidate for the Board of Supervisors must:
- (1) Be seeking election to the Board of Supervisors and be eligible to hold the office sought;
- (2) Have a candidate committee that has received at least \$10,000 in qualifying contributions from at least 100 contributors by the 70th day before the election; or, if the

- (3) Be opposed by another candidate who has either established eligibility to receive public financing, or whose candidate committee has received contributions or made expenditures which in the aggregate equal or exceed \$10,000; and
- (4) Agree that his or her their candidate committee will not make qualified campaign expenditures that total more than the candidate's Individual Expenditure Ceiling of \$350,000, or as adjusted under Section 1.143 of this Chapter applicable expenditure ceiling specified in Section 1.131, unless the expenditure ceiling has been lifted as specified in Section 1.133.
- (c) ADDITIONAL REQUIREMENTS FOR CANDIDATES FOR MAYOR. To be eligible to receive public financing of campaign expenses under this Chapter, a candidate for Mayor must:
- (1) Be seeking election to the office of Mayor and be eligible to hold the office sought;
- (2) Have a candidate committee that has received at least \$50,000 in qualifying contributions from at least 500 contributors by the 70th day before the election; or, if the candidate is the incumbent Mayor, have a candidate committee that has received at least \$75,000 in qualifying contributions from at least 750 contributors by the 70th day before the election;
- (3) Be opposed by another candidate who has either established eligibility to receive public financing, or whose candidate committee has received contributions or made expenditures that in the aggregate equal or exceed \$50,000; and
- (4) Agree that *his or her their* candidate committee will not make qualified campaign expenditures that total more than the *candidate's Individual Expenditure Ceiling of*

1	\$1,700,000, or as adjusted under Section 1.143 of this Chapter applicable expenditure ceiling specified
2	in Section 1.131, unless the expenditure ceiling has been lifted as specified in Section 1.133.
3	(d) ADJUSTMENT OF EXPENDITURE LIMITS AND THRESHOLDS. The Ethics
4	Commission is authorized to adjust:
5	(1) The figures in Subsections (b)(4) and (c)(4) to reflect changes in the California
6	Consumer Price Index, provided that such adjustments shall be rounded off to the nearest \$1,000 for
7	candidates for the Board of Supervisors and the nearest \$5,000 for candidates for Mayor;
8	(21) The figure in Subsection (a)(2)(D) of this Section $1.140$ to reflect changes in
9	the California Consumer Price Index, provided that such adjustments shall be rounded off to
10	the nearest \$1,000;
11	$(32)$ The figures in Subsections (b)(2) and (b)(3) of this Section $\underline{1.140}$ to reflect
12	changes in the California Consumer Price Index, provided that such adjustments shall be
13	rounded off to the nearest \$500;
14	$(43)$ The figures in Subsections (c)(2) and (c)(3) of this Section $\underline{1.140}$ to reflect
15	changes in the California Consumer Price Index, provided that such adjustments shall be
16	rounded off to the nearest \$5,000; and
17	(54) The maximum amount of a contribution that constitutes a qualifying
18	contribution pursuant to Section 1.104 to reflect changes in the California Consumer Price
19	Index, provided that such adjustments shall be rounded off to the nearest \$10.
20	
21	SEC. 1.142. PROCESS FOR ESTABLISHING ELIGIBILITY; CERTIFICATION BY
22	THE ETHICS COMMISSION.
23	***
24	(d) DETERMINATION OF OPPOSITION. To determine whether a candidate for the
25	Board of Supervisors is opposed as required under Section 1.140(b)(3) of this Chapter or a

candidate for Mayor is opposed as required under Section 1.140(c)(3) of this Chapter 1, the Executive Director shall review the material filed pursuant to Section 1.152-1.133 of this Chapter, and may review any other material.

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

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#### SEC. 1.143. ADJUSTING INDIVIDUAL EXPENDITURE CEILINGS.

This Section 1.143 shall apply only if the Ethics Commission has certified that at least one candidate for Mayor or the Board of Supervisors is eligible to receive public funds under this Chapter 1.

(a) The Executive Director shall adjust the Individual Expenditure Ceiling of a candidate for Mayor by \$250,000 when the sum of the Total Opposition Spending against that candidate and the highest level of the Total Supportive Funds of any other candidate for Mayor is greater than \$1,700,000 by any amount. Thereafter, the Executive Director shall further adjust a candidate's Individual Expenditure Ceiling in increments of \$250,000, whenever the sum of the Total Opposition Spending against that candidate and the highest level of the Total Supportive Funds of any other

amount.
(b) The Executive Director shall adjust the Individual Expenditure Ceiling of a candidate for
the Board of Supervisors by \$50,000 when the sum of the Total Opposition Spending against that
candidate and the highest level of the Total Supportive Funds of any other candidate for the same office
on the Board of Supervisors is greater than \$350,000 by any amount. Thereafter, the Executive
Director shall further adjust a candidate's Individual Expenditure Ceiling in increments of \$50,000,
whenever the sum of the Total Opposition Spending against that candidate and the highest level of the
Total Supportive Funds of any other candidate for the same office is greater than the candidate's
current Individual Expenditure Ceiling by any amount.
(c) The Executive Director shall promptly review statements filed pursuant to state and local
law, including Government Code section 84204 and Sections 1.161, 1.162, and 1.163 of this Chapter 1,
to determine whether a communication supports or opposes one or more candidates.
Factors the Executive Director shall use to determine whether the communication supports or
opposes one or more candidates include the following:
(1) whether the communication clearly identifies one or more candidates;
(2) the timing of the communication;
(3) the voters targeted by the communication;
(4) whether the communication identifies any candidate's position on a public policy
issue and urges the reader or viewer to take action, including calling the candidate to support or
oppose the candidate's position;
(5) whether the position of one or more candidates on a public policy issue has been
raised as distinguishing these candidates from others in the campaign, either in the communication
itself or in other public communications;

(6) whether the communication is part of an ongoing series of substantially similar

candidate for Mayor is greater than the candidate's current Individual Expenditure Ceiling by any

advocacy communication					
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(7) any other factors the Executive Director deems relevant.

(d) Within one business day of the date that the Executive Director makes a determination under subsection (c), either the candidate(s) identified in the communication or any candidate seeking the same City elective office as the candidate identified in the communication may object to the Executive Director's determination. The Executive Director shall respond to any objection within one business day of receiving the objection.

(e) Within one business day of the Executive Director's response, either the candidate(s) identified in the communication or any candidate seeking the same City elective office as the candidate identified in the communication may submit to the Executive Director a request that the Ethics Commission review the Executive Director's determination. Within one business day of receiving the request, the Executive Director shall notify each Commissioner of the candidate's request.

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

(f) If no candidate objects to the Executive Director's determination, if no candidate requests review by the Commission of the Executive Director's determination, if a request is made and two or more members of the Commission do not request to review the determination, or within one week of two members of the Commission requesting to review the Executive Director's determination, at least three members of the Commission do not vote to overrule the Executive Director's determination, the Executive Director's determination shall become final.

The Executive Director shall determine whether to adjust the Individual Expenditure Ceilings of

each candidate for Mayor or the Board of Supervisors pursuant to either subsection (a) or (b) within one business day of a final determination.

# SEC. 1.152. SUPPLEMENTAL REPORTING IN ELECTIONS FOR BOARD OF SUPERVISORS AND MAYOR.

## (a) ELECTIONS FOR THE BOARD OF SUPERVISORS.

(1) In addition to the campaign disclosure requirements imposed by the California

Political Reform Act and other provisions of this Chapter, each candidate committee supporting a

candidate for the Board of Supervisors shall file a statement with the Ethics Commission indicating

when the committee has received contributions to be deposited into its Campaign Contribution Trust

Account or made expenditures that equal or exceed \$10,000 within 24 hours of reaching or exceeding

that amount.

(2) In addition to the supplemental report in subsection (a)(1) of this Section, each candidate committee supporting a candidate for the Board of Supervisors shall file a statement with the Ethics Commission disclosing when the committee has received contributions to be deposited into its Campaign Contribution Trust Account or made expenditures that in the aggregate equal or exceed \$100,000. The candidate committee shall file this report within 24 hours of reaching or exceeding the threshold. Thereafter, the candidate committee shall file an additional supplemental report within 24 hours of every time the candidate committee receives additional contributions to be deposited into its Campaign Contribution Trust Account or makes additional expenditures that in the aggregate equal or exceed \$10,000.

(3) The Executive Director shall post the information disclosed on statements required by this subsection on the website of the Ethics Commission within two business days of the statement's filing.

(b) ELECTIONS FOR MAYOR.

(1) In addition to the campaign disclosure requirements imposed by the California
Political Reform Act and other provisions of this Chapter, each candidate committee supporting a
candidate for Mayor shall file a statement with the Ethics Commission indicating when the candidate
committee has received contributions to be deposited into its Campaign Contribution Trust Account or
made expenditures that equal or exceed \$50,000 within 24 hours of reaching or exceeding that amount

(2) In addition to the supplemental report in Subsection (b)(1) of this Section, each candidate committee supporting a candidate for Mayor shall file a statement with the Ethics Commission disclosing when the candidate committee has received contributions to be deposited into its Campaign Contribution Trust Account or made expenditures that in the aggregate-equal or exceed \$1,000,000. The candidate committee shall file this report within 24 hours of reaching or exceeding the threshold. Thereafter, the candidate committee shall file an additional supplemental report within 24 hours of every time the candidate committee receives additional contributions or makes additional expenditures that in the aggregate equal or exceed \$50,000.

(3) The Executive Director shall post the information disclosed on statements required by this subsection on the website of the Ethics Commission within two business days of the statement's filing.

(c) The supplemental statements required by Subsections (a)(2) and (b)(2) are not required until the Ethics Commission has certified that at least one candidate is eligible to receive public funds under this Chapter, provided that within two business days of the date that the Ethics Commission provides notice under this subsection that it has certified that a candidate is eligible to receive public funds under this Chapter, any report that previously would have been required under (a)(2) and (b)(2) must be filed. Within two business days of certifying that at least one candidate is eligible to receive public financing under this Chapter, the Ethics Commission shall post a notice on its website, send out a press release and send written notice by regular or electronic mail to all other candidates running for the same City elective office and to any other person who has requested such notice.

2	(a) DISCLAIMERS. In addition to complying with the disclaimer requirements set forth
3	in Chapter 4 of the California Political Reform Act, California Government Code sections
4	84100 et seq., and its enabling regulations, all committees making expenditures which
5	support or oppose any candidate for City elective office or any City measure shall also comply
6	with the following additional requirements:
7	* * * *
8	(2) WEBSITE REFERRAL. Each disclaimer required by the Political Reform
9	Act or its enabling regulations and by this Section 1.161 shall be followed in the same
10	required format, size, and speed by the following phrase: "Financial disclosures are available
11	at sfethics.org[website address designated by the Ethics Commission]." A substantially similar
12	statement that specifies the web site may be used as an alternative in audio communications.
13	* * * *
14	(4) CANDIDATE ADVERTISEMENTS. Advertisements by candidate
15	committees shall include the following disclaimer statements: "Paid for by (insert
16	the name of the candidate committee)." and "Financial disclosures are available at
17	sfethics.org[website address designated by the Ethics Commission]." Except as provided in
18	subsections (a)(3) and (a)(5), the statements' format, size, and speed shall comply with the
19	disclaimer requirements for independent expenditures for or against a candidate set forth in
20	the Political Reform Act and its enabling regulations.
21	* * * *
22	
23	SEC. 1.162. ELECTIONEERING COMMUNICATIONS.
24	(a) DISCLAIMERS.
25	(1) Every electioneering communication for which a statement is filed pursuant

SEC. 1.161. CAMPAIGN ADVERTISEMENTS.

to subsection (b) shall include the following disclaimer: "Paid for by \_\_\_\_\_ (insert the name of the person who paid for the communication)." and "Financial disclosures are available at \*\*sfethics.org[website address designated by the Ethics Commission]."

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## SEC. 1.170. PENALTIES.

- (a) CRIMINAL. Any person who knowingly or willfully violates any provision of this Chapter-*I* shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than \$5,000 for each violation or by imprisonment in the County jail for a period of not more than six months or by both such fine and imprisonment; provided, however, that any willful or knowing failure to report contributions or expenditures done with intent to mislead or deceive or any willful or knowing violation of the provisions of Sections 1.114, 1.126, or 1.127 of this Chapter I shall be punishable by a fine of not less than \$5,000 for each violation or three times the amount not reported or the amount received in excess of the amount allowable pursuant to Sections 1.114, 1.126, or 1.127 of this Chapter I, or three times the amount expended in excess of the amount allowable pursuant to Section 1.130 or 1.140, whichever is greater.
- (b) CIVIL. Any person who intentionally or negligently violates any of the provisions of this Chapter-*I* shall be liable in a civil action brought by the City Attorney for an amount up to \$5,000 for each violation or three times the amount not reported or the amount received in excess of the amount allowable pursuant to Sections 1.114, 1.126, or 1.127 or three times the amount expended in excess of the amount allowable pursuant to Section *1.1301.131* or 1.140, whichever is greater. In determining the amount of liability, the court may take into account the seriousness of the violation, the degree of culpability of the defendant, and the ability of the defendant to pay.

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# (i) EFFECT OF VIOLATION ON CANDIDACY.

- (1) If a candidate is convicted, in a court of law, of a violation of this Chapter at any time prior to his or her election, his or her candidacy shall be terminated immediately and he or she shall be no longer eligible for election, unless the court at the time of sentencing specifically determines that this provision shall not be applicable. No person convicted of a misdemeanor under this Chapter after his or her election shall be a candidate for any other City elective office for a period of five years following the date of the conviction unless the court shall at the time of sentencing specifically determine that this provision shall not be applicable.
- (2) If a candidate for the Board of Supervisors certified as eligible for public financing is found by a court to have exceeded the Individual Expenditure Ceiling in this Chapter by ten percent 10% or more at any time prior to his or her election, such violation shall constitute official misconduct. The Mayor may suspend any member of the Board of Supervisors for such a violation, and seek removal of the candidate from office following the procedures set forth in Charter Section 15.105(a).
- (3) A plea of nolo contendere, in a court of law, shall be deemed a conviction for purposes of this Section <u>1.170</u>.

Section 2. Prerequisites for Enactment; Super-Majority Vote Requirement. The
enactment of Section 1 of this ordinance is subject to provisions of the Campaign and
Governmental Conduct Code that require the amendments to be approved by the Ethics

Commission by a supermajority vote of at least four members of the Commission, and

approved by a supermajority vote of at least eight members of the Board of Supervisors.

Section 3. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

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Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

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Section 5. Severability. If any section, subsection, sentence, clause, phrase, or word of this ordinance, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of the ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and each and every section, subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this ordinance or application thereof would be subsequently declared invalid or unconstitutional.

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APPROVED AS TO FORM: DAVID CHIU, City Attorney

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/s/ Kathleen Vermazen Radez Kathleen Vermazen Radez Deputy City Attorney n:\legana\as2025\2500348\01863959.docx

**Ethics Commission BOARD OF SUPERVISORS**